



Audit Committee Annual Report on the Bank Internal Control System for the financial year ended December 31, 2021

During 2021, (12) meetings were held, on a monthly basis, before giving approval to the Bank's preliminary and final results. The Audit Committee is composed of five members, including one non-executive member and one independent member from the Board of Directors and three independent members from outside the Board.

Composition of the Audit Committee

-	Jamal Abdulkarim Alrumah	Chairman of the Committee and a member of the Board of Directors
-	Mohammed Omair AlOtaibi	Member of the Committee and
		member of the Board of Directors
-	Tareq Abdullah Al-Qaraawy	External Committee member
-	Abdul Raouf Sullaiman Banaja	External Committee member
-	Abdul Aziz Abdullah Al-Duailej	External Committee member
		(Resigned on 13.03.2021)
-	Abdulaziz Khalid Alfalih	External Committee member
		(Appointed on 27.04.2021)

Key Duties and Responsibilities of the Audit Committee

I. Financial and Regulatory Reports and Controls

- Review key accounting policies and procedures and any amendments made thereto;
- Review accounting issues, important reports, presentation of financial statements and all account activities / statutory items for compliance with accounting standards and legal disclosure guidelines;
- Review accounting policies and practices, their effectiveness, applicability and availability, and assess the adequacy of accounting records and governance reports;
- Review Executive Management recommendations on credit and investment allocations and the Bank policies related to risk classification

- of loans and other financial assets.
- Review Executive Management recommendations on bad or doubtful debts provisions and any other provisions related to losses or important legal issues;
- Review Bank's policies on transactions with related parties, review contracts and transactions made by the Bank with related parties, and get a statement of all these transactions to review their approvals and verify that they are disclosed in financial statements;
- Review the effectiveness and efficiency of the internal control system established by the Executive Management, including internal controls over financial reporting to avoid any fraud or inaccuracies, and control information security risk management in the Bank; and
- Review and approve the Bank's disclosure policy, and review reports on the effectiveness of the controls and procedures of such policy.

II. External Auditors

- Provide recommendations to the Board of Directors to engage, reengage, dismiss, and determine remuneration and terms of reference of external auditors; and get approval of the same from shareholders at the General Assembly Meeting;
- Review and verify the independence and objectivity of the external auditors and the effectiveness of the audit activities at least once a year, taking into account the relevant professional and regulatory requirements;
- Review and approve the annual plan of the external auditors; and
- Discuss the Management Letter issued by the external auditors and follow up on the implementation of the recommendations with the Executive Management.

III. Internal Audit Department

- Review and approve the annual plan of the Internal Audit Department, and any material amendments made thereto, including compliance with the international standards for the professional practice of internal auditing issues by the institute of internal auditors.
- · Monitor, oversee and review the performance of the Head of Internal

Auditor function in accordance with the approved annual performance standards, and performance and activities of the Bank's internal audit Department to ensure the availability of the necessary resources and their effectiveness in performing the assigned activities and duties.

- Review what the head of Internal Audit Department has presented about the adequacy of the bank's internal control system and the degree of compliance in this regard.
- Follow up implementation of the corrective actions taken by the Executive Management regarding the issues and findings made in reports of the Internal audit Department.
- Review independence of the Internal Auditors from the Executive Management and ensure there are no unjustified restrictions on the work of the Head of Internal Audit Department.

IV. Risk Management and Internal Controls

- Review Risk Management Policies of Significant Risk Assessments.
- Review the most significant risks related to internal controls and actions taken by the management to monitor and control these risks.
- Review reports and activities of risk management to ensure that fraud and other related risks are prevented.

V. Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of the investigation and follow-up of any instances (including disciplinary action) conducted by the executive management.
- Approve the annual plan of the Compliance Department.
- Review, amend and approve the compliance policies.
- Review reports presented by the Compliance Manager on the procedures issued by the management to ensure compliance with the Bank's policies and procedures, and the rules and regulatory requirements of the Saudi Central Bank (SAMA) and CMA.

VI. The annual confirmations and declarations of the Executive Management regarding internal control

During the financial year ended December 31, 2021, the Bank's Senior Management and regulatory authorities confirmed and declared the following:

- The internal controls applied within the control system are effective and adequate;
- The internal and external deficiencies and weaknesses have been addressed to ensure the Bank's interests are safeguarded.

VII. Audit Committee Opinion on the Bank's Internal Control System for the Financial Year Ended December 31, 2021

During its meetings held in 2021, the Audit Committee reviewed the periodic reports of Internal Audit Department, Compliance Department and Risk Management Department, as well as the relevant reports of the regulatory authorities. It also met with the external auditors separately and reviewed their reports. It regularly followed up on the efforts of the control departments and the Executive Management, to ensure that the identified issues and findings are addressed and adequate controls are put in place to reduce their impact on the control system or prevent their recurrence.

Based on the annual assurances and disclosures obtained from the regulatory authorities and the Executive Management, the Audit Committee believes that there are no control gaps or significant weaknesses in the Bank's internal control system that affect the integrity and fairness of the financial statements. No internal control system – regardless of whether it is adequate and effective or not – can provide absolute assurance.

This report is a part the Board's objective to obtain reasonable assurances about adequacy and effectiveness of the Internal Control System.

On behalf of the Audit Committee Jamal Abdulkarim Alrumah Chairman







Dividends details that will be distributed to shareholders for the second half of 31 December 2021, based on the recommendation of the Board of Directors on 12-05- 1443 corresponding to 13-12-2021

Item	Details
The Total amount distributed	SAR 1,620,000,000
Number of Shares Eligible for Dividends	3,000,000,000
Dividend per share	SAR 0.54 after deduction of Zakat
Percentage of Dividend to the Share Par Value (%)	5.4%
Eligibility date	11/09/1443H (corresponding 12/04/2022G
Distribution Date	24/09/1443H (corresponding 25/04/2022G









السيرة الذاتية للمرشح Candidate CV

	ة للعضو المرشح Candida						
1. Personal Information				1. البيانات الشخد			
Name:	Abdula	ziz Khalid Alfa	lih	العزيز خالد عبدالعزيز الفالح	laie	الاســـم :	
Nationality:		Saudi		لجنسيــة : سعودي		الجنسيـة :	
Date of Birth:			22 -11	- 1988		اريخ الميلاد :	تا
2. Education	nal Qualificatio	ns		مية	2. المؤهلات العل		
تاريخ المؤهل اسم المؤسسة التعليمية Qualification Date		التخصص Major		المؤهل Qualification	#		
	عة ماساتشوستس لل Institute of Techr	•	2010	نندسة كيميائية Chemical Enginee		بكالوريوس Bachelor	1
ورد	جامعة ستانفو Ford University		2015	إدارة أعمال MBA		ماجستیر Master	2
3. Work Experience			3. الخبرات العملية				
Area of Expertise			جال الخبرة	uo.	الفترة Duration	#	
Badwa Capital (Dubai	- UAE) – Partner a	nd Board Mem	ber	لإمارات العربية المتحدة - شريك	بدوة كابيتال - دبي - اا وعضو مجلس إدارة	2021-2018	1
McKinsey & Company	– Engagement Ma	nager		, cy	ماكنزي آند كومباني – م	2018 - 2015	2
TPG CAPITAL (San Fra	ancisco - USA) – In	vestment Ass	ociate	ن فرانسیسکو – الولایات المتحدة ثمار	تى پى جى كابيتال (ساز الامريكية) - شريك است	2014	3
Saudi Aramco – Investment Associate			ك استثمار	أرامكو السعودية – شري	2013 - 2012	4	
4. Current Memberships in Boards & Committees		ت الشركات واللجان	ية في مجالس إدارا	4. العضوية الحال			
طبيعة العضوية الشكل القانونى للشركة Company Legal Status Nature of Membership			نوع العضوية Membership Type	نــــــرکة Company		#	
مسؤولية محدودة	شركة ذات د		بصفته الش	عضو مجلس إدارة	الإمارات العربية	بدوة كابيتال - دبى، المتحدة	1
A limited liability	y company	in perso	onal capacity	Board Member	Badwa Cap	ital (Dubai - UAE)	







Audit Committee Charter				
Article	Original Text	Amendment / Addition		
Introduction	This charter shall define the general frameworks of the Audit Committee, which is one of the Board of Directors' committees. This charter has been prepared in accordance with the laws and regulations of the Saudi Arabian Monetary Agency, the Capital Market Authority, the Ministry of Commerce and Investment, and the relevant laws and regulations issued by the competent authorities (the entity that performs a regulatory, supervisory or monitorial role) as well as in the light of the rules applicable in in Riyad Bank and the best local and international practices.	This charter provides the general framework of the Audit Committee, one of the committees of the Board of Directors. This Charter is prepared in accordance with the laws and regulations of the <u>Saudi Central Bank</u> , the Capital Market Authority, <u>Ministry of Commerce</u> , as well as the relevant laws and regulations issued by the competent authorities (authorities with a regulatory, supervisory or oversight role). The Charter is also drafted in accordance with Riyad Bank's practices and based on local and international best practices.		
Composition	A. The committee is composed of three to five members, and the Board of Directors shall nominate the chairman and members of the committee for a term of not less than three years or until the end of the current board term, whichever is less, renewable for two additional terms, at most. The composition shall be conducted by the Ordinary General Meeting, subject to the following conditions:	A.The committee is composed of three to five members, and the Board of Directors shall nominate the chairman and members of the committee for a term of not less than three years or until the end of the current board term, whichever is less, renewable for two additional terms, at most. In the event of the vacancy of a membership position in the Committee, the Board of Directors shall appoint a successor to previous member, in order for the new member to complete the term of his predecessor. The appointment of the new member shall be presented to the Ordinary General Assembly at its first meeting for ratification, subject to the following requirements:		
Composition	B. The Chairman of the Committee shall ensure that each new member of the Committee has been provided with the necessary documents so that the latter is familiar and acquainted with his duties and responsibilities. If the membership of any member becomes vacant, Board of Directors shall appoint a new member to complete the term of his predecessor. Such appointment shall be presented to the Ordinary General Assembly in its first meeting for approval.	B. The Chairman of the Committee shall ensure that each new member of the Committee has been provided with the necessary documents, in order for the latter to be familiarized and acquainted with his duties and responsibilities. New members can also get acquainted with the main business and activities of the Bank to acquire full knowledge of the current aspects of the Bank's activity and its future plans, including visiting the Bank's branches.		
Composition	New	C. The members of the Committee shall maintain the confidentiality of information in relation to the Bank, its clients and its activities, accordingly, they shall not disclose them unless the disclosure of such information is authorized or legally required by the		



Audit Committee Charter					
Article	Original Text	Amendment / Addition			
		competent authorities, in line with the requirements of the relevant laws and regulations with regard to the confidentiality of information.			
	■ The prior written non-objection of the Saudi Arabian Monetary Agency is required in order to appoint a candidate for the Chairmanship and membership of the Committee and to determine their qualifications.	■ The prior written non-objection of the <u>Saudi Central Bank</u> is required in order to appoint a candidate for the Chairmanship and membership of the Committee and to determine their qualifications.			
Composition	The Capital Market Authority shall be notified of the names of the committee members and their membership descriptions within five working days from the date of their appointment and of any changes that occur within five working days from the date of the changes occurrence.	■ The Capital Market Authority shall be notified of the names of the committee members and their membership descriptions within five working days from the date of their appointment. The Saudi Central Bank shall also be notified of any changes that occur within five working days from the date of the changes occurrence.			
	The majority of the committee members shall be non- executive members, provided that one of them shall be specialized in financial and accounting affairs and at least an independent member according to the definition approved by the Capital Market Authority.	■ <u>All</u> the Committee's members shall be <u>independent members in accordance with the definition of independence provided in the governance regulations issued by the <u>competent authorities</u></u>			
	■ The number of Committee members from outside the Board of Directors shall be higher than the number of members serving on the Board of Directors,—and the members shall not be employees of the Bank or its clients, agents or consultants.	■ The number of Committee members from outside the Board of Directors shall be higher than the number of members serving on the Board of Directors.			
	■ The Committee shall be chaired by an independent member as per the definition approved by Saudi Arabian Monetary Agency and the Capital Market Authority.	 The Chairman of the Committee shall be an independent member in accordance with the definition specified in the governance regulations issued by the competent authorities. 			
	 The Chairman of the Board of Directors may not be a member of the Committee. 	No Change			
	Any kinship or financial or commercial relationship is not allowed between the Chairman of the Committee and any member of the Board of Directors.	-			
	 The committee chairman shall not shall have a relationship with the Bank's executive directors or leading officials or its 	■ The committee's members shall not have any relationship <u>whatever its nature with the Bank, or its board members or its executive management.</u>			



	Audit Committee Charter				
Article	Original Text	Amendment / Addition			
	 major shareholders that would affect its independence, according to the requirements of the Saudi Arabian Monetary Agency. Members of the Committee shall not have any credit relationship with the Bank (credit cards, credit facility, guarantees, etc.) under his name or name of any of his first-degree relatives that exceeds an amount of 300,000 riyals, in any capacity with the Bank, its board of directors, or its executive management. The Committee's member may not be an employee, or an official, or an agent or advisor in the Bank. The Committee's member may not be a relative of the head of internal audit or of the Bank's external auditors. Whoever is working or has worked during the two last years in the senior Management or financial Management of the Bank, or for the Bank's auditor, shall not be a member of the audit committee. 	 Members of the Committee shall not have any credit relationship with the Bank (credit cards, credit facility, guarantees, etc.) either under their names or under the name of any of their relatives. - - - 			
	 The Committee's members shall have the knowledge, suitable qualification and the practical experience that is fit for the nature of the Bank's business and its banking activities, and shall be fully aware of the laws, rules and regulations issued by the competent authorities and with which they are provided. The external members of the Committee shall have the knowledge, know how, appropriate qualification and experience in the field of work of the Committee. 	The Committee's members shall have the knowledge, suitable qualification and the practical experience that is fit for the nature of the Bank's business, its banking activities and the Committee's field of work in addition to being aware of the laws, regulations issued by the competent authorities and with which they are provided.			
Roles and Responsibilities	The committee shall be responsible for monitoring the Bank's business and verifying the integrity of the reports, financial statements and internal control systems in the Bank, the Bank's compliance with the regulatory and supervisory requirements, supervising independent audit work and examination tasks	The duties of the Committee are to protect the assets of the Bank and to protect the interests of shareholders, depositors, legislators and others related to the Bank. Additionally, the Committee is also responsible for monitoring the bank's business and verifying the integrity and reliability of the reports, financial statements and internal control systems in the Bank, the Bank's commitment to regulatory and oversight requirements, supervising independent			

carried out by the competent authorities. Furthermore, the audit work and examination tasks carried out by the competent authorities, and providing an



	Audit Committee Charter				
Article	Original Text	Amendment / Addition			
	Committee shall assume providing an open channel of communication between the internal audit, external auditors and the Board of Directors, in addition to review the level of disclosure in the Bank's financial statements and its compatibility with the requirements of the Saudi Arabian Monetary Agency, the Capital Market Authority, the Ministry of Commerce and Investment and the Saudi Stock Exchange "Tadawul". The Committee shall also exercise its necessary responsibilities	open channel of communication between the internal audit, external auditors and the Board of Directors. In addition to reviewing the level of disclosure of the Bank's financial statements and its compatibility with the requirements of SAMA , the CMA, MoC, and the Saudi Exchange (Tadawul).			
Roles and Responsibilities	and powers to comply with the requirements set by the Board of Directors under a Resolution issued by the General Assembly , the Saudi Arabian Monetary Agency, the Capital Market Authority, the Ministry of Commerce and Investment, and the Saudi Stock Exchange "Tadawul". The Duties and Responsibilities of the Committee shall include the following:	The Committee shall also exercise its responsibilities and <u>supervisory</u> authorities to comply with the requirements set by the Board of Directors pursuant to a Resolution issued by the General Assembly, the <u>Saudi Central Bank</u> , the Capital Market Authority, the Ministry of Commerce, and Saudi Exchange "Tadawul" (<u>without intervention in executive Resolutions</u>). The Duties and Responsibilities of the Committee shall include the following:			
Roles and Responsibilities	 Study the initial and annual financial statements of the Bank prepared by the Executive Management that are reviewed/audited by the external auditors and verifying their integrity, completeness and consistency with the information available to the members of the committee and its reflection of the appropriate accounting principles to ensure their integrity, fairness and transparency, discussing them with the Bank's Management and internal and external auditors, and expressing their opinion and recommendation to the Board of Directors in preparation for its approval. 	 Study the initial and annual financial statements of the Bank - prepared by the Executive Management that are reviewed/audited by the external auditors and verifying their integrity, completeness and consistency with the information available to the members of the committee and its reflection of the appropriate accounting principles to ensure their integrity, fairness and transparency, discussing them with the <u>Executive</u> <u>Management</u> and internal and external auditors, and expressing their opinion and recommendation to the Board of Directors. 			
Roles and Responsibilities	 Reviewing accounting issues, important reports, presentation of financial statements, and all account activities/statutory articles to verify the committee's compliance with accounting standards and legal disclosure rules. 	No Change			



	Audit Committee Charter			
Article		Original Text		Amendment / Addition
Roles and Responsibilities	3.	Understand how Management prepares preliminary financial information, as well as the nature and extent of the internal and external auditor's contribution in this regard.	3.	Understand how Executive Management prepares preliminary financial information, as well as the nature and extent of the internal and external auditor's contribution in this regard.
Roles and Responsibilities	4.	Review, if necessary, investigate and verify complaints relating to accounting matters, internal accounting controls or audit-related matters.		No Change
Roles and Responsibilities	5.	Create separate and regular systems for presenting reports to the committee by the Management and the internal and external auditors regarding any important opinions or judgments concluded in the Management 's preparation processes on the financial statements, and their respective views on the extent of suitability of those provisions.	5.	Create separate and regular systems for presenting reports to the committee by the Executive Management and the internal and external auditors regarding any important opinions or judgments concluded in the Executive Management 's preparation processes on the financial statements, and their respective views on the extent of suitability of those provisions.
Roles and Responsibilities	6.	Review, jointly with Management and the external auditors, all matters and issues that should be reported to the Committee in light of generally accepted auditing standards.	6.	Review, jointly with the <u>Executive Management</u> and the external auditors, all matters and issues that should be reported to the Committee in light of generally accepted auditing standards.
Roles and Responsibilities	7.	Review, in preparation for approval by the Board of Directors, the reports submitted to the General Assembly related to the Bank's financial statements, whenever needed.		No Change
Roles and Responsibilities	8.	Review the recommendations of the Bank's Management regarding provisions, investments and the Bank's policies related to the classification of loans risks and other financial assets, then presenting its recommendations in this regard to the board of directors.	inv	Review the recommendations of the <u>Executive Management</u> regarding provisions, estments and the Bank's policies related to the classification of loans risks and other ancial assets, then presenting its recommendations in this regard to the board of directors.
Roles and Responsibilities	9.	Review, amend and approve the basic accounting policies and procedures and the accounting and disclosure policy.		No Change
Roles and Responsibilities		New	10.	Review the assessment of insurance coverage.
Roles and Responsibilities	10.	. Review and amend the Bank's policies concerning the transactions of the relevant parties, review contracts and	11.	Review and amend the Bank's policies concerning the transactions of the relevant parties, review contracts and transactions <u>conducted</u> by the Bank with related parties



	Audit Committee Charter			
Article	Original Text	Amendment / Addition		
	transactions proposed to be conducted by the Bank with related parties, and obtain a statement of all these transactions to review their approval, verify their disclosure in the financial statements, and submit their views in this regard to the Board of Directors.	and obtain a statement of all these transactions to review their approval, verify their disclosure in the financial statements.		
Roles and Responsibilities	11. Prepare a report on the committee's opinion regarding the adequacy of the Bank's internal control system and the other business carried out within the scope of its competence, provided that it shall be submitted to the Board of Directors and be read during holding the Ordinary General Assembly.	No Change		
Roles and Responsibilities	12. review the effectiveness and efficiency of the system of internal controls prepared by the Executive Management, including the internal controls on financial reports to avoid any fraud or errors, as well as monitoring information security and risk Management in the Bank.	No Change		
Roles and Responsibilities	 13. The head of internal audit shall be report to the chairman of audit committee. 15. Review the performance of the head of internal audit at least once a year and make recommendations to the Board of Directors regarding his financial compensation and the annual increase in his salary and remuneration. 	15. The head of internal audit shall report to the audit committee and his performance shall be reviewed by the committee at least once a year and make recommendations to the Board of Directors regarding his financial compensation and the annual increase in his salary and remuneration in accordance with the Bank's approved policies and procedures.		
Roles and Responsibilities	14. Review and discuss the process of selection, appointment and termination the services of the head of internal audit, and presenting the recommendations to the Board of Directors in this regard.	14. Review and discuss the process of selection, appointment and termination the services of the head of internal audit and <u>acceptance his resignation</u> , and presenting the recommendations to the Board of Directors in this regard.		
Roles and Responsibilities	New	Review the performance of the internal audit department by authorizing an external entity to conduct an independent review to verify the quality of audit work and outputs at least once every (five) years and present the results of such audit to the Board of Directors.		
Roles and Responsibilities	16. Review the independence of the internal auditors from the Bank's Management .	17. Review the independence of the internal auditors from the Executive Management.		



	Audit Co	ommittee Charter
Article	Original Text	Amendment / Addition
Roles and Responsibilities	23. Hold a private meeting with the head of Internal Audit to discuss any matter needed to be discussed privately at the own discretion of internal audit committee.	No Change
Roles and Responsibilities	24. Review and approve all audit services provided by parties outside the Bank through the Internal Audit Department.	No Change
Roles and Responsibilities	25. Recommend to the Board of Directors to nominate and dismiss the external auditors, determine their fees and evaluate their performance, after verifying their independence and reviewing the scope of their work and the terms of contract concluded with them.	-
Roles and Responsibilities	26. Recommend before the Board of Directors on the approval of services other than auditing and reviewing services provided by the Bank's external auditors.	-
Roles and Responsibilities	27. Review the performance of the external auditors and make recommendations to the Board of Directors regarding any proposed amendments in the entity that provides external audit services in the light of circumstances.	-
Roles and Responsibilities	28. Supervise the work of the external auditors, review the audit plans, its scope and system, and answer the Bank auditor's inquiries.	28. Supervise the work of the external auditors, review the audit plans, its scope and system, and answer <u>their inquiries.</u>
Roles and Responsibilities	29. Review and verify the independence of the external auditors at least once a year, by obtaining from the external auditors a written statement that includes a list of any relationship of the external auditors with the Bank or with any other persons or entities that may affect the status and independence of the auditors, and the committee shall review and discuss with the external auditors all relations established with the Bank to determine the extent of their independence.	-
Roles and Responsibilities	30. Review all important written correspondence between the external auditors and the Bank's Management, such as the	30. Review all important written correspondence between the external auditors and the Executive Management, such as the Management Letter or a statement on the unadjusted differences.



	Audit	Committee Charter
Article	Original Text	Amendment / Addition
Roles and Responsibilities	 17. Approve the annual plan of the internal audit Department and any material amendments that may be made to such plan. 18. Monitor and supervise the performance of the head internal auditor in accordance with the approved annual performance standards as well as the performance and activities of the internal audit Department in the Bank to verify the availability of the necessary resources and it effectiveness in performing its assigned works and tasks Furthermore, the committee shall assume reviewing the annual plan of the internal audit Department, including compliance with the internal auditing issued by the Institute of Internal Auditors. 	 16. Monitor, supervise and review the performance of the head of internal audit in accordance with the annual performance standards approved by the committee as well as the performance and activities of the internal audit Department in the Bank to verify the availability of the necessary resources and its effectiveness in performing the work and tasks assigned. 18. Review and approve the annual plan of the Internal Audit Department and any material amendments that may be made to such plan and monitor its performance, in the light of the international standards for the professional practice of internal audit issued by the Institute of Internal Auditors.
	New	Review the budget of the Internal Audit Department and recommend it to the Board of Directors for approval.
	New	Recommend to the Board of Directors to approve the organizational structure of the Internal Audit Department and review it periodically whenever needed.
Roles and Responsibilities	19. Review, amend and approve the internal audit work regulations jointly with the Management and the chairman of internal audit.	
	New	Review and approve the strategy of the Internal Audit Department and monitor its performance in accordance with the strategy and the general objectives of the Bank.
Roles and Responsibilities	20. Verify that there are no unjustified restrictions regarding the tasks of the head of internal audit.	20. Verify that there are no unjustified restrictions regarding the tasks of the head of internal who shall be fully free to discuss his points of view and the findings concluded with the Board of Directors and audit committee.
Roles and Responsibilities	21. Review the findings presented by the head of internal audi about the adequacy of the internal control systems in the Bank and the degree of commitment in this regard.	
Roles and Responsibilities	22. Review the periodic reports submitted by the Internal Audit Department on the various activities of the Bank and follow up on the implementation of corrective measures.	· · · · · · · · · · · · · · · · · · ·



	Audit Committee Charter				
Article	Original Text	Amendment / Addition			
	Management Letter or a statement on the unadjusted differences.				
Roles and Responsibilities	31. Thoroughly investigate any issues raised by the CFO of the Bank, or whoever undertakes his duties, or the external auditor.	No Change			
Roles and Responsibilities	32. Hold a private meeting on a regular basis, provided that it is held at least once a year, with the external auditors and without the presence of the Bank's Management, to discuss internal controls or important audit issues or any other matters that the committee or the external auditors deem necessary to be discussed privately. Such discussions shall include the scope and results of the relevant audit, and any difficulties encountered by the external auditors, including any restrictions or obstacles they encountered in accessing to the required information, or any disagreements or obstacles faced with the Bank's Management.	32. Hold a private meeting on a regular basis, provided that it is held at least once a year, with the external auditors and without the presence of the Executive Management , to discuss internal controls or important audit issues or any other matters that the committee or the external auditors deem necessary to be discussed privately. Such discussions shall include the scope and results of the relevant audit, and any difficulties encountered by the external auditors , including any restrictions or obstacles they encountered in accessing to the required information, or any disagreements or obstacles faced with the Executive Management .			
Roles and Responsibilities	33. Review the efficiency of the monitoring system of compliance with laws and regulations and the findings of investigations and follow-ups on any case (including disciplinary actions) conducted by the Executive Management.	No Change			
Roles and Responsibilities	34. Examine the supervisory reports issued by the competent authorities, and review the findings of important and special examinations, in addition to any observations of external auditors, and verifying that the Bank has taken the necessary measures in this regard.	-			
Roles and Responsibilities	35. Verify the application and promotion of the Bank's code of professional and ethical conduct.	No Change			
Roles and Responsibilities	36. Approve of the annual plan of Compliance Department.	No Change			
Roles and Responsibilities	37. Review, amend and approve compliance policies.	No Change			



	Audit Co	ommittee Charter
Article	Original Text	Amendment / Addition
Roles and Responsibilities	38. Review the reports presented by the compliance manager on the Bank's compliance with all applicable compliance regulations and rules.	No Change
Roles and Responsibilities	39. Review the reports submitted by the Anti-Money Laundering Officer on the Bank's compliance with all applicable anti-money laundering laws and regulations.	No Change
Roles and Responsibilities	New	40. Approve the annual compliance report.
Roles and Responsibilities	New	41. Review the important legal issues.
Roles and Responsibilities	42. Complaints and Reports: Verify that the Bank has an adequate "reporting" program, and review the procedures for receiving, saving and handling complaints received by the Bank from any entity, whether internal or external, regarding accounting issues, internal accounting controls or audit-related issues. The committee also shall perform reviewing, amending and approving the policies or procedures followed by stakeholders in submitting their complaints or reporting violated practices.	No Change
Roles and Responsibilities	43. The committee shall undertake any other tasks assigned by the Board of Directors to be submitted to the Board on periodic basis.	No Change
Roles and Responsibilities For the purpose of satisfying its supervisory responsibility, the committee may perform the following:	 Review the Bank's records and documents. Request any clarification or statement from the members of Board of Directors or the senior Management . 	No Change Request any clarification or statement from the members of Board of Directors or the Executive Management.



	Audit Committee Charter		
Article	Original Text	Amendment / Addition	
	 Make direct discussions with the Bank's Management, internal and external auditors, compliance manager, Manager of legal Department, employees and others about the accuracy of the financial statements and internal control systems. 	 Make direct discussions with the <u>Executive</u> <u>Management</u>, internal and external auditors, compliance manager, Manager of legal Department, employees and others about the accuracy of the financial statements and internal control systems. 	
	 Request the Board of Directors to call for the General Assembly to be held if the Board of Directors obstructs its work or the Bank suffers serious damage or losses. 	No Change	
	Direct to call for any special investigation it deems appropriate and obtain the advice of any independent expert the committee deems appropriate in fulfillment of its duties and responsibilities. The committee also shall have the right to summon or seek the assistance of any employee of the Bank to the extent it deems appropriate.	No Change	
	The Committee shall regularly, at least once a year, hold a private meeting with the Head of Internal Audit, the Compliance manager and employees of other relevant department to discuss any matter that the Committee or those groups believe should be discussed in private and confidential meeting.	■ The Committee can hold a private meeting with the Compliance manager and employees of other relevant departments to discuss any matter that the Committee or those groups believe should be discussed in private and confidential meeting.	
	Frequency of Meetings	Frequency of Meetings	
Meetings	The Committee shall hold a meeting at least four times a year in the headquarter of the Bank's General Management (outside if necessary). Additionally, it shall hold any other meetings with the external auditors and the internal auditor. The committee chairman or at least two members of the committee may request a meeting of the committee.	The Committee shall hold a meeting at least four times a year in the headquarter of the Bank's General Management (outside if necessary). Additionally, it shall hold the annual meeting with the Board of Directors and any other meetings with the external auditors and the internal auditor.	
	Call for the meetings	Call for the meetings	
Meetings	The Committee shall meet pursuant to an invitation by its Chairman. The secretary of the Committee shall send a notice of	The Committee shall meet pursuant to an invitation by its Chairman, <u>or upon the request of two members of the committee</u> . The secretary of the Committee shall send a notice of each	



	Audit Committee Charter		
Article	Original Text	Amendment / Addition	
	each meeting scheduled to be held to each member of the Committee, so that the notice confirms the date, time, place and agenda of the meeting, well before the date on which the meeting is scheduled to take place. The documents and papers in connection with the meeting agenda Articles shall be sent to the members at least five working days prior to the date of the meeting. Unless the matter calls for the meeting to be held urgently, the call for the meeting may be sent, accompanied by the meeting agenda as well as the necessary documents and information, within a period of less than five working days prior to the date of the meeting.	meeting scheduled to be held to each member of the Committee, so that the notice confirms the date, time, place of the meeting, well before the date on which the meeting is scheduled to take place. The documents and papers in connection with the meeting agenda Articles shall be sent to the members at least five working days prior to the date of the meeting via the electronic means. The period may also be less than five working days if the matter requires the addition of an item to the agenda with regard to new matters or when there is a need to hold an emergency meeting.	
Meetings	 Quorum and voting The quorum for the Committee meeting shall be satisfied by the attendance of the majority of the committee members (it is also permissible to attend using modern technology means to be agreed upon by all members). In the event that the Committee chairman is unable to attend the meeting, he shall delegate one of the members to chair the meeting, and in the absence of such delegation, the attending members shall select one among themselves to assume chairmanship role of this meeting. Decisions shall be issued by a majority vote of the attendees, and in case the votes are equal, the meeting chairperson shall have the casting vote, provided that the opposing opinion shall be recorded in the minutes of meeting. The Committee may, in cases of necessity or urgency, issue its decisions by way of circulation by majority, so that the 	No Change	



Audit Committee Charter		
Article	Original Text	Amendment / Addition
	decision and the documents related to it shall be presented to the Committee for confirmation at the next meeting, while the decisions made shall be included in the minutes of the meeting, unless any of the members requests in writing the Committee to hold a meeting for discussion. • Voting on behalf of the others is not allowed.	
Meetings	Non-Members Invitees to the Meetings The chairman of the Committee my invite any person, who is not a member of the Committee, to attend any meeting of the Committee as he deems appropriate, from within or outside the Bank within the limits of its powers, provided that this is included in the minutes of the Committee meeting, in addition to the name, relationship with the Bank and the reason for the invitation. The invitees may not attended any discussion related to them unless invited by the Chairman of the committee to discuss with them, and none of the invitees is considered a member of the Committee, and the Committee has the right to request any clarifications or additional information if necessary.	No Change
	Minutes of the meetings The Committee's deliberations and decisions shall be recorded in minutes and shall be kept at the Board Office, provided that	The Committee's deliberations and decisions shall be recorded in minutes and shall be kept at the Board Office, provided that these minutes shall be signed by the Committee's

Meetings

The Committee's deliberations and decisions shall be recorded in minutes and shall be kept at the Board Office, provided that these minutes shall be signed by the Committee's chairman, the attending members and the Committee's secretary. The minutes shall be distributed to all Committee members and communicated to parties concerned so that they put them into practice.

at the Board Office, provided that these minutes shall be signed by the Committee's chairman, the attending members and the Committee's secretary. The minutes shall be distributed to all Committee members. It is permissible to use electronic means to record the deliberations.



	Audit Committee Charter		
Article	Original Text	Amendment / Addition	
Committee Secretary	The Chairman of the Board of Directors shall, in coordination with the Chairman of the Committee – within its term - select and appoint a secretary of the Committee and determine his/her duties, including, but not limited to, coordination and sending the meetings' invitations. The secretary of the Committee shall attend the meetings in an administrative capacity only and may not be involved in any decision or voting that takes place within the Committee.	No Change	
Committee Performance Evaluation	The Committee shall, in association with the Board of Directors, review its annual performance, and the Chairman of the Committee may verbally present the results of that report during the scheduled meetings of the Board of Directors.	No Change	
Responsibility For Reporting	The decisions and minutes of the Committee shall be presented to the Board of Directors at the first meeting that succeeds their issuance, for their knowledge. Such minutes shall form part of the Board of Directors agendas. Also, the Committee may submit any report it deems necessary to the Board of Directors.	No Change	
Resources	The Committee shall be provided with the requirements needed to carry out its responsibilities and duties, including the recommendation to the Board of Directors to engage external advisors and to allocate sufficient funds for such tasks.	No Change	
Approval Endorsement and Amendment of the Charter	■ The tasks of the audit committee, its work controls, the composition and rules for selecting its members, the term of their membership, their remuneration, the method of their nomination and the mechanism for their appointment shall be temporarily approved by the Bank's General Assembly in the event of a vacancy in one of the committee's positions.	 This Charter is approved as per the decision of the Board of directors No. 00/C/000 on 00/00/0000 and by a decision of the General Assembly dated 00/00/0000. The Committee shall review this Charter as appropriate to ensure that it is updated according to the relevant updates, and this Charter may only be amended in accordance with the established legal conditions and the approval of the Board of Directors. Any such amendments shall be approved by the Bank's General Assembly. 	



	Audit Committee Charter		
Article	Original Text	Amendment / Addition	
	 This Charter is approved as per the decision of the Board of directors No. 00/C/000 on 00/00/0000 and by a decision of the General Assembly dated 00/00/0000. The Committee shall review this Charter as appropriate to ensure that it is updated according to the relevant updates, and this Charter may only be amended in accordance with the established legal conditions and the approval of the Board of Directors. Any such amendments shall be approved by the Bank's General Assembly. 		







	Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition	
Introduction	This charter (the "Charter") provides the general framework of the Nomination and Compensation Committee (the "Committee"), one of the committees of the Board of Directors. This Charter is prepared in accordance with the laws and regulations of the Saudi Arabian Monetary Agency, the Capital Market Authority ("CMA"), Ministry of Commerce and Investment ("MoC"), as well as the relevant laws and regulations issued by the competent authorities (authorities with a regulatory, supervisory or oversight role). The Charter is also drafted in accordance with Riyad Bank's (the "Bank") practices and based on local and international best practices.	This charter (the "Charter") provides the general framework of the Nomination and Compensation Committee (the "Committee"), one of the committees of the Board of Directors. This Charter is prepared in accordance with the laws and regulations of the Capital Market Authority ("CMA") , Ministry of Commerce ("MoC"), as well as the relevant laws and regulations issued by the competent authorities (authorities with a regulatory, supervisory or oversight role). The Charter is also drafted in accordance with Riyad Bank's (the "Bank") practices and based on local and international best practices.	
Composition	 A. The Committee is composed of three to five members, and the Board of Directors appoints the Chairman and members of the Committee throughout the term of the current Board, subject to the following requirements: A prior written non-objection of the Saudi Arabian Monetary Agency is required in order to appoint a candidate for the Chairmanship and membership of the Committee and to determine their qualifications. The Capital Market Authority shall be notified of the names of Committee members and their membership descriptions within five working days following the date of their appointment and any changes thereof within five working days from the date of the changes taking place. The members of the Committee shall not be executive members of the Board of Directors. It is permissible to appoint persons who are not members of the Board, whether they are shareholders or others, provided that at least one of them is an independent member according to the definition approved by the Capital Market Authority. 	 A prior written non-objection of the <u>Saudi Central Bank</u> is required in order to appoint a candidate for the Chairmanship and membership of the Committee and to determine their qualifications. The Capital Market Authority shall be notified of the names of Committee members and their membership descriptions within five working days following the date of their appointment. The <u>Saudi Central Bank and the Capital Market Authority</u> shall also be notified of any changes thereof within five working days from the date of the changes taking place. In the event of a vacant position in the membership of the Committee, the Board of <u>Directors shall appoint another member for such position, after obtaining the required statutory approvals. The new member shall complete the term of the previous member.</u> The members of the Committee shall be non-executive members of the Board of Directors. It is permissible to appoint persons who are not members of the Board, whether they are shareholders or others, provided that at least two of them are independent members <u>pursuant to the definition of independence provided in the governance regulations issued by the competent authorities.</u> The Committee shall be chaired by an independent member <u>pursuant to the definition of independence provided in the governance regulations issued by the competent authorities.</u> 	



Responsibilities

Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition
	 The number of independent members of the Committee shall not be less than two members, according to the definition approved by the Saudi Arabian Monetary Agency. The Committee shall be chaired by an independent member according to the definition approved by the Capital Market Authority and the regulations issued by the relevant authorities. The Committee may not be chaired by the Chairman of the Board of Directors. The members of the Committee shall have the knowledge, awareness, the appropriate qualification and professional experience that is commensurate with the nature of the Bank's business and banking activities, and an understanding of the laws, rules and regulations issued by the relevant authorities and which they are provided with. The external members of the Committee shall have knowledge, awareness, appropriate qualification and experience in the field of activities of the Committee. 	 The Committee may not be chaired by the Chairman of the Board of Directors. The members of the Committee shall have the knowledge, awareness, the appropriate qualification and professional experience that is appropriate to the nature of banking business activities and the activities of the Committee, as well as an understanding of the laws, rules and regulations issued by the relevant authorities and which the members of the Committee are provided with.
Composition	B. The Chairman of the Committee shall ensure that each new member of the Committee has been provided with the necessary documents so that the latter is familiar and acquainted with his duties and responsibilities. In the event of a vacant position in the membership of the Committee, the Board of Directors appoints another member for such position in order for his appointment be approved after obtaining the statutory approvals.	B. The Chairman of the Committee shall ensure that each new member of the Committee has been provided with the necessary documents, in order for the latter to be familiarized and acquainted with his duties and responsibilities.
Composition	New	C. The members of the Committee shall maintain the confidentiality of information in relation to the Bank, its clients and its activities, accordingly, they shall not disclose them unless the disclosure of such information is authorized or legally required by the competent authorities, in line with the requirements of the relevant laws and regulations with regard to the confidentiality of information.
Roles and Responsibilities	Towards the Board of Directors and senior management	No Change



	Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition	
	The Committee supports and provides assistance to the Board of Directors with regard to the governance of the Board, and for this purpose it shall:		
	1. Develop a policy for nomination and election for membership of the Board of Directors and submit the same to the Board of Directors for consideration in preparation for approval by the General Assembly.		
Roles and Responsibilities	3. Review the curriculum vitae, evaluate the members nominated for membership in the Board of Directors and recommend a mechanism for determining remunerations and incentives to the Board of Directors, in addition to nominating and re-nominating members in accordance with the approved policies and standards and in accordance with the relevant laws.	2. Review the curriculum vitae, evaluate the members nominated for membership in the Board of Directors <u>and its Committees</u> and provide recommendations <u>to</u> the Board of Directors regarding the nomination and re-nomination of <u>members</u> therein in accordance with the approved policies and standards and in accordance with the relevant laws and <u>regulations</u> .	
Roles and Responsibilities	2. Set up special procedures in the event of a vacant position in the Board of Directors or senior management in accordance with the approved policies and standards and in accordance with the relevant laws.	3. Set up special procedures in the event of a vacant position in the Board of Directors or its Committees in accordance with the approved policies and standards and in accordance with the relevant laws and regulations .	
Roles and Responsibilities	4. Review and ensure that all members of the Board of Directors meet the legal requirements for membership of the Board of Directors according to the relevant laws.	4. Review and ensure that all members of the Board of Directors <u>and its Committees</u> meet the legal requirements for membership of the Board of Directors <u>and its Committees in accordance with</u> the relevant laws and <u>regulations</u> .	
Roles and Responsibilities	5. Review the independence of the independent members on an annual basis, and ensure that there is no conflict of interest if the member serves as a member of the Board of Directors of another company in accordance with the relevant laws.	5. Review the independence of the independent members on an annual basis in accordance with the <u>relevant laws and regulations</u> as well as the internal policies of the <u>Bank</u> .	
Roles and Responsibilities	6. Determine the weaknesses and strengths of the performance of the Board of Directors, and provide appropriate recommendations in consistency and the interest of the Bank.	<u>6. Develop a mechanism for the evaluation of</u> the performance of the Board of Directors <u>and its Committees</u> , and provide appropriate recommendations in consistent with the interests of the Bank.	



Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition
Roles and Responsibilities	7. Develop a record containing information on the qualifications and skills of the members of the Board of Directors in order to identify the additional skills required for the sake of strengthening the role of the Board and carrying out its duties and responsibilities.	7. <u>Supervise the</u> development of record containing information on the qualifications and skills of the members of the Board of Directors in order to identify the additional skills required for strengthening the role of the Board and carrying out its duties and responsibilities.
Roles and Responsibilities	8. Conduct an assessment of the appropriateness of the qualifications of the members of the Board of Directors and senior management on a regular basis, and at least once annually.	8. Conduct an assessment of the appropriateness of the qualifications of the members of the Board of Directors and <u>its Committees</u> on a regular basis, and at least once annually.
Roles and Responsibilities	9. Review the structure of senior management and departments directly reporting to the Board of Directors and provide recommendations for any amendment to be proposed.	9. Review the structure of the executive departments and the departments provided for by law and provide recommendations to the Board of Directors regarding its approval.
Roles and Responsibilities	10. Propose a clear policy for the remuneration of members of the Board of Directors and its Committees–of and senior management, and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly.	10. <u>Develop</u> a clear policy for the remuneration of members of the Board of Directors and its Committees and senior management, and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly.
Roles and Responsibilities	11. Provide recommendations to the Board of Directors regarding any promotion, salary increase, bonus, or any modification in the benefits of senior management in accordance with the powers table approved by the Bank.	No Change
	Towards the Bank	
Roles and Responsibilities	1. Follow up on matters with respect to the annual budget and remuneration for the employees in accordance with the prevailing local norms and control laws.	No Change
Roles and Responsibilities	2. Review the conformity of the remuneration, compensation and incentives policy under the rules of the Saudi Arabian Monetary Agency, as well as the rules and principles issued by the Financial Stability Board (FSB) and any other relevant laws.	2. Review the conformity of the <u>compensation and remuneration</u> , <u>as well as incentives</u> policy under the rules of the <u>Saudi Central Bank</u> , as well as the rules and principles issued by the Financial Stability Board (FSB) and any other relevant laws.



Nomination and Remunerate		ration Committee Charter
Article	Original Text	Amendment / Addition
Roles and Responsibilities	3. Conduct periodic review and evaluation of the adequacy and effectiveness of the policy of remuneration, compensation and incentives for the purpose of ensuring that the objectives set therefor are achieved, whenever it deems appropriate, or wherever the Board of Directors requires the same, in addition to providing the recommendations to the Board in order for the latter to update or amend the policy.	3. Conduct periodic review and evaluation of the adequacy and effectiveness of the policy of <u>compensation and remuneration</u> , <u>as well as</u> incentives for the purpose of ensuring that the objectives set therefor are achieved, whenever it deems appropriate, or wherever the Board of Directors requires the same, in addition to <u>providing the recommendations</u> to the Board in order for the latter to make any update or amendment.
Roles and Responsibilities	4. Review, amend and approve human resources policies including for example: succession, compensation and remuneration, etc.	4. Review and amend human resources policies including for example: career succession, compensation and remuneration, etc.
Roles and Responsibilities	5. Provide recommendations to the Board of Directors regarding any modification in the salary payroll, job grades and benefits of the Bank.	No Change
Roles and Responsibilities	6. Any other duties assigned thereto by the Board of Directors, in addition to submitting the information in connection with such duties and responsibilities on a periodic basis to the Board.	No Change
Meetings	The Committee shall meet at least two times a year at the headquarters of the Bank (or elsewhere when necessary).	No Change
	Call for the meetings	Call for the meetings
Meetings	The Committee shall meet pursuant to an invitation by its Chairman. The secretary of the Committee shall send a notice of each meeting scheduled to be held to each member of the Committee, so that the notice confirms the date, time, place and agenda of the meeting, well before the date on which the meeting is scheduled to take place.	The Committee shall meet pursuant to an invitation by its Chairman. The secretary of the Committee shall send a notice of each meeting scheduled to be held to each member of the Committee, so that the notice confirms the date, time, place of the meeting, well before the date on which the meeting is scheduled to take place.
	The documents and papers in connection with the meeting agenda Articles shall be sent to the members at least five working days prior	The documents and papers in connection with the meeting agenda Articles shall be sent to the members at least five working days prior to the date of the meeting <u>via the electronic means</u> . The period may also be less than five working days if the matter



Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition
	to the date of the meeting. Unless the matter calls for the meeting to be held urgently, the call for the meeting may be sent, accompanied by the meeting agenda as well as the necessary documents and information, within a period of less than five working days prior to the date of the meeting.	requires the addition of an item to the agenda with regard to new matters or when there is a need to hold an emergency meeting.
Meetings	 The quorum for the Committee meeting shall be satisfied by the attendance of the majority of the committee members (it is also permissible to attend using modern technology means to be agreed upon by all members). In the event that the Committee chairman is unable to attend the meeting, he shall delegate one of the members to chair the meeting, and in the absence of such delegation, the attending members shall select one among themselves to assume chairmanship role of this meeting. Decisions shall be issued by a majority vote of the attendees, and in case the votes are equal, the meeting chairperson shall have the casting vote, provided that the opposing opinion shall be recorded in the minutes of meeting. The Committee may, in cases of necessity or urgency, issue its decisions by way of circulation by majority, so that the decision and the documents related to it shall be presented to the Committee for confirmation at the next meeting, while the decisions made shall be included in the minutes of the meeting, unless any of the members requests in writing the Committee to hold a meeting for discussion. A member of the Committee may authorize other members to attend the Committee's meetings on his behalf by virtue of a 	Voting on behalf of the others is not allowed. Voting on behalf of the others is not allowed.



Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition
	written power of attorney, provided that the present member does not represent more than one absent member, and the authorization shall not be valid for another meeting.	
	Non-Members Invitees to the Meetings	
Meetings	The chairman of the Committee my invite any person, who is not a member of the Committee, to attend any meeting of the Committee as he deems appropriate, from within or outside the Bank within the limits of its powers, provided that this is included in the minutes of the Committee meeting, in addition to the name, relationship with the Bank and the reason for the invitation. The invitees may not attended any discussion related to them unless invited by the Chairman of the committee to discuss with them, and none of the invitees is considered a member of the Committee, and the Committee has the right to request any clarifications or additional information if necessary.	No Change
Meetings	Minutes of the meetings The Committee's deliberations and decisions shall be recorded in minutes and shall be kept at the Board Office, provided that these minutes shall be signed by the Committee's chairman, the attending members and the Committee's secretary. The minutes shall be distributed to all Committee members and communicated to parties concerned so that they put them into practice.	The Committee's deliberations and decisions shall be recorded in minutes and shall be kept at the Board Office, provided that these minutes shall be signed by the Committee's chairman, the attending members and the Committee's secretary. The minutes shall be distributed to all Committee members. It is permissible to use electronic means to record the deliberations.
Committee Secretary	The Chairman of the Board of Directors shall, in coordination with the Chairman of the Committee – within its term - select and appoint a secretary of the Committee and determine his/her duties, including, but not limited to, coordination and sending the meetings' invitations. The secretary of the Committee shall attend the meetings in an	No Change



Nomination and Remuneration Committee Charter		
Article	Original Text	Amendment / Addition
	administrative capacity only and may not be involved in any decision or voting that takes place within the Committee.	
Committee Performance Evaluation	The Committee shall, in association with the Board of Directors, review its annual performance, and the Chairman of the Committee may verbally present the results of that report during the scheduled meetings of the Board of Directors.	No Change
Responsibility For Reporting	The decisions and minutes of the Committee shall be presented to the Board of Directors at the first meeting that succeeds their issuance, for their knowledge. Such minutes shall form part of the Board of Directors agendas. Also, the Committee may submit any report it deems necessary to the Board of Directors.	No Change
Resources	The Committee shall be provided with the requirements needed to carry out its responsibilities and duties, including the recommendation to the Board of Directors to engage external advisors and to allocate sufficient funds for such tasks.	No Change
Approval Endorsement and Amendment of the Charter	 The functions of the Nominations and Remunerations Committee, controls over its activities, the rules for the election of its members, the term of their membership and their remuneration shall be approved by the Bank's General Assembly. This Charter is approved as per the decision of the Board of directors No. 00/C/000 on 00/00/0000 and by a decision of the General Assembly dated 00/00/0000. The Committee shall review this Charter as appropriate to ensure that it is updated according to the relevant updates, and this Charter may only be amended in accordance with the established legal conditions and the approval of the Board of Directors. Any such amendments shall be approved by the Bank's General Assembly. 	 This Charter is approved as per the decision of the Board of directors No. 00/C/000 on 00/00/0000 and by a decision of the General Assembly dated 00/00/0000. The Committee shall review this Charter as appropriate to ensure that it is updated according to the relevant updates, and this Charter may only be amended in accordance with the established legal conditions and the approval of the Board of Directors. Any such amendments shall be approved by the Bank's General Assembly.



Item Number 12-13





رئيس مجلس الإدارة Chairman of the Board

To the shareholders of Riyad Bank, Greetings,

Pursuant to the requirements of Article (71) of the Companies Law, which states: "A board member may not have any direct or indirect interest in transactions or contracts made for the company, except with an authorization from the ordinary general assembly and in accordance with the regulations set by the competent authority. The board member shall notify the board of directors of any direct or indirect interest he may have in the transactions or contracts made for the company".

Accordingly, we would like to inform you of the transactions and contracts in which the members of the Board of Directors will have a direct or indirect interest and wherein the Bank seeks to obtain an authorization from the General Assembly. The transactions are as follows:

- 1. Voting on transactions or contracts that will take place between the Bank and the General Organization for Social Insurance, in which a member of the Board of Directors of Riyad Bank, Mr. Muhammad Talal Al-Nahhas (a member of the Board of Directors of the General Organization for Social Insurance ("GOSI") and the governor of GOSI) has an indirect interest. The transactions and contracts are: the lease contracts for the headquarters building of Riyad Bank and several other headquarters in Riyadh; an ATM site; a data supply agreement between GOSI and Riyad Bank for a service to inquire about the number of an entities employees; and a data supply agreement between the Masdar Company for Data Solutions owned by GOSI and Riyad Bank. These transactions are without special conditions or benefits, as the total of the transactions reached is an amount of SAR 29,945,266 during the year 2021.
- 2. The transactions or contracts that will take place between the Bank and the Saudi Telecom Company, in which a member of the Board of Directors of Riyad Bank, Mr. Muhammad Talal Al-Nahhas (Member of the Board of Directors of the Saudi Telecom Company) has an indirect interest, The transactions and contracts are: the service contract for linking the network of branches and buildings for IPVPN data services and the management contract for the SMS platform service; and an ATM site rental contract. The above transactions are without special conditions or benefits, as the total of the transactions reached is an amount of SAR 65,740,892 during the year 2021.

We also attach to you the special report on these transactions issued by the Bank's auditors, PricewaterhouseCoopers.

Best regards,

Chairman of the Board of Directors Abdullah Muhammed Al-Issa

Riyad Bank, Public Shareholding Company, Capital of SAR 30 Billion. Commercial Register (1010001054), PO. Box 22622 Riyadh 11416, Tel. +966 11 4013030, National Address: 2414 – Al Shohda Dist. Unit No 21 Riyadh 7279-13241 Kingdom of Saudi Arabia, www.riyadbank.com, is licensed by the Council of Ministers Resolution (91) dated 23.11.1957, and regulated by Saudi Arabian Monetary Authority.

يتك الرياض، شرقة مساهمة عامة، يرأس مال 30 ملياز ريال، سجل تجازي رقم 1010001054. ص.ب. 22622 الرياض 11416. هاتف 1013030 ال 656+، العنوان الوطلي: 2414 جي الشهداء، وحدة رقم 21 الرياض 7279-13241 المملـــكة العـــريـــة الســـعودية، مجلس الوزراء رقم (91) بتاريخ 137770570هـ، وخاضعة لرقابة وإشراف مؤسسة النقد العربي السعودي.



To the Shareholders Rivad Bank

Report on Chairman of the Board of Directors' declaration

We have undertaken a limited assurance engagement in respect of the accompanying declaration of related party transactions for the year ended December 31, 2021 relating to Riyad Bank (the "Bank") prepared by the Chairman of the Board Directors of the Bank in accordance with the applicable criteria mentioned below so as to comply with the requirements of Article 71 of the Regulations for Companies (the "Declaration").

Subject matter

The Subject Matter for our limited assurance engagement is the Declaration prepared by the management of the Bank and approved by the Chairman of the Board of Directors as attached to this report and submitted to us.

Criteria

The applicable Criteria is the requirement of Article 71 of Regulations for Companies issued by the Ministry of Commerce and Investment (2015-1437H) which states that any member of the board of directors (the "Board") with any interest, both directly or indirectly, in the transactions or contracts made for the account of the Company shall declare such interests for the approval of a general assembly of the Company. The Board member must notify the Board of such interest and excuse himself in vote by the Board to approve such transactions or contracts. The Chairman of the Board will notify the general assembly of transactions and contracts in which a member of the Board has a direct or indirect interest.

Management's responsibility

The management of the Bank is responsible for the preparation of the Declaration in accordance with the Criteria and ensuring its completeness. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Declaration that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence requirements of the code of professional conduct and ethics, endorsed in the Kingdom of Saudi Arabia, and the ethical requirements that are relevant to our limited assurance engagement in the Kingdom of Saudi Arabia. which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1, as endorsed in the Kingdom of Saudi Arabia, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Declaration based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', as endorsed in the Kingdom of Saudi Arabia. This standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Bank has not complied with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration, for the year ended December 31, 2021.

The procedures selected depend on our judgment, including the assessment of risks such as failure of systems and controls, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Bank's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration. Our procedures included examining, on a test basis, evidence supporting systems and controls in respect of the preparation of the Declaration in accordance with the requirements of Article 71 of the Regulations for Companies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Summary of work performed

We have planned and performed the following procedures to obtain limited assurance over the Bank's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration:

- Discussed with the management the process for obtaining business and contracts by any of the Board members with the Bank.
- Obtained the accompanying Declaration that includes the lists of all transactions and contracts entered into by any of the Board members of the Bank, either directly or indirectly, with the Bank during the year ended December 31, 2021.
- Reviewed the minutes of the Board meetings that indicates member notification to the Board on the transactions and contracts entered into by the Board member; and further that the concerned board member did not vote on the resolution issued in this regard at the meetings of the Board.
- Reviewed confirmation from the concerned Board member on the business and contracts performed by the Board member during the year and in the case of those Board members who had no transactions a confirmation was obtained that there were no transactions during the year.
- Testing the consistency of the transactions and contracts included in the Declaration with the disclosure in Note 35 to the audited financial statements.

Inherent limitations

Our procedures regarding systems and controls relating to the preparation of the Declaration in accordance with the requirements of the Article 71 of the Regulations for Companies, are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Furthermore, such procedures may not be relied upon as evidence of the effectiveness of the systems and controls against fraudulent collusion, especially on the part of those holding positions of authority or trust.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) as endorsed in the Kingdom of Saudi Arabia. Consequently, the nature, timing and extent of the procedures outlined above for gathering sufficient appropriate evidence were deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Our procedures did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements as endorsed in the Kingdom of Saudi Arabia and accordingly we do not express an audit or a review opinion in relation to the adequacy of systems and controls.

This conclusion relates only to the Declaration for the year ended December 31, 2021 and should not be seen as providing assurance as to any future dates or periods, as changes to systems or controls may alter the validity of our conclusion.

Limited assurance conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the Bank has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration of related party transactions for the year ended December 31, 2021.

Restriction of use

This report, including our conclusion, has been prepared solely upon the request of the management of the Bank, to assist the Chairman of the Board of Directors in fulfilling its reporting obligations in accordance with Article 71 of the Regulations for Companies. The report should not be used for any other purpose or to be distributed to or otherwise quoted or referred to, without our prior consent to any other parties other than the Ministry of Commerce and Investment, Capital Market Authority and the shareholders of the Bank.

PricewaterhouseCoopers

Mufaddal A. Ali

Certified Public Accountant

License No. 447

5 Sha'ban 1443H (8 March 2022) PRICEWATERHOUSECOOPERS
CERTIFIED PUBLIC ACCOUNTANTS
Lic No. 323/11/25/1
C.R. 4030289002

The transactions with related parties include a group of transactions and contracts conducted for the Bank, in which the members of the board of directors have a direct or indirect interest, which exceed SAR 10 million, as follows:

No.	Nature of Contract	Name of the Related Party	Owner Name	Contract Expiry	Annual Contract Value
1.	Renting the headquarters of the 60th Street branch 286 for exhibitions No. (1,2,3,5) – Riyadh	Member of the Board of Directors, Mr. Muhammad Talal Al-Nahhas, Member of the Board of Directors of the General Organization for Social Insurance and Governor of the General Organization for Social Insurance	the General Organization for Social Insurance	08/08/2026	600,000
2.	An agreement to supply data between the General Organization for Social Insurance and Riyad Bank for a service to inquire about the number of employees of entities	Member of the Board of Directors, Mr. Muhammad Talal Al-Nahhas, Member of the Board of Directors of the General Organization for Social Insurance and Governor of the General Organization for Social Insurance	the General Organization for Social Insurance	12/02/2022	250,000
3.	Renting the General Administration Building (Granada Oasis) A1	Member of the Board of Directors, Mr. Muhammad Talal Al-Nahhas, Member of the Board of Directors of the General Organization for Social Insurance and Governor of the General Organization for Social Insurance	the General Organization for Social Insurance	08/14/2022	28,244,040
4.	Renting 20 parking spots in Granada Business for relationship managers in the corporate banking sector	Member of the Board of Directors, Mr. Muhammad Talal Al-Nahhas, Member of the Board of Directors of the General Organization for Social Insurance and Governor of the General Organization for Social Insurance	the General Organization for Social Insurance	08/14/2022	199,226
5.	Renting Al-Murabba branch 218 King Abdulaziz Street in Riyadh	Member of the Board of Directors, Mr. Muhammad Talal Al-Nahhas, Member of the Board of Directors of the General Organization for Social Insurance and Governor of the General Organization for Social Insurance	the General Organization for Social Insurance	10/20/2022	400,000
6.	Data supply agreement between Masdar Company for Data Solutions and Riyad Bank	Member of the Board of Directors, Mr. Muhammad Talal Al-Nahhas, Member of the Board of Directors of the General Organization for Social Insurance and Governor of the General Organization for Social Insurance	Masdar Company for Data Solutions (owned by the General Organization for Social Insurance)	02/01/2022	252,000
7.	Renting an ATM site in the Saudi Telecom Company building – Riyadh	Board Member Mr. Mohamed Talal Al-Nahhas Member of the Board of Directors of the company	Saudi Telecom Company	05/31/2022	30,000
8.	SMS platform service management contract	Board Member Mr. Mohamed Talal Al-Nahhas Member of the	Saudi Telecom Company	08/31/2022	42,000,000

		Board of Directors of the company			
9.	Branches and Buildings Network Connection Services for Data Services – IPVPN	Board Member Mr. Mohamed Talal Al-Nahhas Member of the Board of Directors of the company	Saudi Telecom Company	12/31/2022	23,710,892



Item Number 14-52





Riyad Bank Bylaws

General Amendments

Replacing "the requirement to obtain the written approval of the Saudi Central Bank" to "in accordance to the provisions and limits provided in the Banking Control Law and the relevant laws and instructions"

	provided in the Banking Control Law and the relevant laws and instructions"		
Article	The Article Before the Amendments	The Article After the Amendments	
Article 1: Incorporation	A Saudi joint stock company incorporated pursuant to the Banking Control Law, the Companies Law and its Regulations, and these Bylaws, a Saudi joint stock Company has been established in accordance with the following:	A Saudi joint stock company incorporated pursuant to Royal Decree and Council of Minister's Resolution No. 91 dated Jumada Al-Awwal, 1377H, corresponding to 23 November, 1957G, and pursuant to the provisions of the Banking Control Law, the Companies Law and its Regulations, and these Bylaws, in accordance with the following:	
Article 2: Name of the Company	Riyad Bank (a Saudi listed joint-stock company).	Riyad Bank (a Saudi joint-stock company).	
Article 3: Objectives of the Company	i. Participating, or contributing, by any means, to the companies and institutions that engage in an activity that is part of the Company's purposes, providing assistances to achieve the same, merging or purchasing them in after obtaining the written approval of the Saudi Arabian Monetary Agency.	i. Participating, or contributing, by any means, to the companies and institutions that engage in an activity that is part of the Company's purposes, providing assistances to achieve the same, merging or purchasing them in accordance with the limits and provisions set forth in the Banking Control Law and the relevant laws and instructions.	
Article 4: : Shareholding and Ownership Interests of Companies	The Company may, on its own, establish or incorporate limited liability or closed joint-stock companies, provided that the share capital of such companies shall not be less than SAR 5 million.	The Company may, on its own, establish or incorporate limited liability or closed joint-stock companies, provided that the share capital of such companies shall not be less than SAR 5 million.	
	Moreover, the Company may enter into partnerships with third parties and own shares and equity stakes in other existing companies or merge with them. It may also co-found, in partnership with third parties, joint-stock or limited liability companies after fulfilling the requirements of the laws, regulations and instructions applicable in this regard. The Company may also dispose of such shares or equity stakes, provided that this does not include brokerage in their trading, after obtaining the written approval of the Saudi Arabian Monetary Agency.	Moreover, the Company may enter into partnerships with third parties and own shares and equity stakes in other existing companies or merge with them. It may also co-found, in partnership with third parties, joint-stock or limited liability companies after fulfilling the requirements of the laws, regulations and instructions applicable in this regard. The Company may also dispose of such shares or equity stakes, provided that this does not include brokerage in their trading, in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions.	
Article 5: Headquarters of the Company	The Company's headquarters shall be located in Riyadh, and it may establish branches, offices, representatives or agencies both within and outside Saudi Arabia based on a resolution of the Company's Board of	The Company's headquarters shall be located in Riyadh, and it may establish branches, offices, representatives or agencies both within and outside Saudi Arabia based on a resolution of the Company's Board of Directors (the	





The Company's Term The Company's term shall be (99) calendary years, commencing on January 1st and such term may be extended by a resolution issued by the Extraordinary General Assembly. Article 7: The Company's Capital		Directors, after obtaining the written approval of the Saudi Arabian Monetary Agency.	"Board") and in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions.
30,000,000,000, divided into 3,000,000,000, divided into 3,000,000,000 shares of equal value. The value of each share is SAR 10, and all of which are ordinary shares, which may be increased pursuant to the relevant laws. After obtaining the written approval of the Saudi Arabian Monetary Agency. Article 8: Subscription of Shares The shareholders have subscribed to all of the share capital amounting to 3,000,000,000, fully paid up shares. The Extraordinary General Assembly of the Company may issue preferred shares shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to greater share of the Company's hare; shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to receive a greater share of the Company's hare profits than the owners of the ordinary shares after setting aside the statutory reserve, and are greater share of the Company's hare profits than the owners of the ordinary shares after setting aside the statutory reserve, and accordance with the limits and provisions provided in the Banking Control Law and the relevant laws and instructions. Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees New Article Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees New Article Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees New Article Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees New Article Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Em	Article 6: The Company's Term	years, commencing on January 1st and concluding on December 31st each year, and such term may be extended by a resolution issued by the Extraordinary General	years commencing on the date of announcing its incorporation. Afterwards, each fiscal year shall commence on January 1 st and shall end on December 31 st each year, and such term may be extended by a resolution issued by the
the share capital amounting to 3,000,000,000, fully paid up shares. The Extraordinary General Assembly of the Company may issue preferred shares, decide to purchase preferred shares or ordinary shares, into preferred shares or convert ordinary shares into preferred shares into ordinary shares; however, preferred shares into ordinary shares; however, preferred shares shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to receive a greater share of the Company's net profits than the owners of the ordinary shares after setting aside the statutory reserve, after obtaining the written approval of the Saudi Arabian Monetary Agency. Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees New Article New Article New Article New Article New Article The Extraordinary General Assembly of the Company may issue preferred shares, decide to purchase preferred shares or ordinary shares; nowever, preferred shares into ordinary shares; however, preferred shares shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to receive a greater share of the Company's net profits than the owners of the ordinary shares after setting aside the statutory reserve, in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions, perform the following activities: 1. Purchase its own ordinary or preferred shares, decide to purchase its shares to be used to purchase its shares to ordinary shares in downers of the Company's net profits than the owners of	Article 7: The Company's Capital	30,000,000,000, divided into 3,000,000,000 shares of equal value. The value of each share is SAR 10, and all of which are ordinary shares, which may be increased pursuant to the relevant laws. After obtaining the written approval of the Saudi Arabian	30,000,000,000, divided into 3,000,000,000 shares of equal value. The value of each share is SAR 10, and all of which are ordinary shares, which may be increased pursuant to the
Company may issue preferred shares, decide to purchase preferred shares or ordinary shares, convert ordinary shares into preferred shares or convert preferred shares into ordinary shares; however, preferred shares or convert ordinary shares; indowever, preferred shares or ordinary shares; however, preferred shares into ordinary shares; however, preferred shares or ordinary shares; however, preferred shares into ordinary shares; however, preferred shares into ordinary shares; however, preferred shares or ordinary shares; however, preferred shares or ordinary shares; however, preferred shares or ordinary shares; however, preferred shares into ordinary shares; however, preferred shares into ordinary shares; however, preferred shares or ordinary shares; however, preferred shares or ordinary shares; however, preferred shares or ordinary shares; however, preferred shares into ordinary shares; however, preferred shares into ordinary shares; however, preferred	Article 8: Subscription of Shares	the share capital amounting to	No amendments made.
and Sale of its Own Shares and Granting Loans to Employees Ilimits and provisions provided in the Banking Control Law and the relevant laws and instructions, perform the following activities: Purchase its own ordinary or preferred shares, and purchase its shares to be used as treasury shares in accordance with the limits and provisions set out in the Banking Control Law and the relevant laws and instructions issued by the competent authorities. Sell treasury shares under one or several phases.	Article 9: Preferred Shares	Company may issue preferred shares, decide to purchase preferred shares or ordinary shares, convert ordinary shares into preferred shares or convert preferred shares into ordinary shares; however, preferred shares shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to receive a greater share of the Company's net profits than the owners of the ordinary shares after setting aside the statutory reserve, after obtaining the written approval of the Saudi	Company may issue preferred shares, decide to purchase preferred shares or ordinary shares, convert ordinary shares into preferred shares or convert preferred shares into ordinary shares; however, preferred shares shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to receive a greater share of the Company's net profits than the owners of the ordinary shares after setting aside the statutory reserve, in accordance with the limits and provisions contained in the Banking Control Law and the
shares, and purchase its shares to be used as treasury shares in accordance with the limits and provisions set out in the Banking Control Law and the relevant laws and instructions issued by the competent authorities. 2. Sell treasury shares under one or several phases.	and Sale of its Own Shares and	New Article	limits and provisions provided in the Banking Control Law and the relevant laws and
phases.			shares, and purchase its shares to be used as treasury shares in accordance with the limits and provisions set out in the Banking Control Law and the relevant laws and instructions issued by the
Company's employees within the			phases. 3. Purchase and allocate its shares to the





employee share ownership program in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions issued by the competent authorities. In all cases, the shares purchased by the Company do not provide voting rights in the shareholders' general assembly meetings.

4. Grant loans to its employees within the programs designated for motivating its employees, whether in return for profits or without.

Without prejudice to other relevant laws and regulations, whoever has the right to own or possess the Company's shares for the benefit of another party may pledge the same in accordance with the limits and provisions provided in the Banking Control Law and the relevant laws and instructions issued by the competent authorities.

Article 10¹: Seizure of Shares and Sale of Unpaid Shares

The shareholder shall pay the value of the share on the dates specified therefor. If he fails to pay the outstanding amount on the due date, the Board of Directors may, upon notifying the shareholder through any means of publication in a daily newspaper issued at the Company's headquarters, under a registered letter, sell such share as per the open auction or the share market, as the case may be, in accordance with the limits and provisions provided by the competent authorities. The Company shall collect the amounts due thereto from the sale proceeds and refund the remainder to the shareholder. If the sale proceeds are insufficient to pay the amount due, the Company may collect the remaining balance from the shareholder's funds. Nevertheless, the shareholder, who fails to fulfil the payment until the day of the sale, may pay the value indebted thereby along with the expenses incurred by the Company in this regard. In such a case, the Company shall recover the sold share in accordance with the provisions of this Article, and provide the buyer a new share bearing the same serial number of the cancelled share, and mark the same in the share register indicating that the sale has taken place, and the details of the name of the new owner.

In accordance with the limits and provisions set forth in the Banking Control Law and the relevant laws and instructions, the Company may seize shares owned by any shareholder (and his funds of unpaid dividends), in order to guarantee the performance of his loans or the fulfilment of his obligations and what he owes to the Company, which he may have concluded alone or jointly with another person. The Board may, after ten working days from the shareholder's claim to pay his debts without him doing so, sell the reserved shares by auction and collect the Company's proceeds from the sale, and refund the remainder, from the amount payable to the Company, to the shareholder or his representative.



¹ Article 11 in the revised Bylaws.



Article 11 ² : Issuance of Shares	The shares are of nominal value, and may not be issued for less than their nominal value. Rather, they may be issued at a higher value. In this latter case, the difference in value shall be added under an independent item within the shareholders' equity, and may not be distributed as cash dividends to shareholders. The share shall be indivisible vis-à-vis the Company. If the share is owned by multiple persons, they must choose one person to represent them for exercising the rights related thereto, and such persons shall be jointly liable for the obligations arising out of their ownership of the share.	No amendments made.
Article 12 ³ : Transfer of Shares	The shares subscribed by the founders may not be traded until after the financial statements have been published for two fiscal years, each of which is not less than twelve months from the date of the company's incorporation. The bonds of these shares shall be marked with an indication of their type, date of incorporation of the company, and the period during which trading is prohibited.	The shares shall be negotiable in accordance with the limits and provisions contained in the Banking Control Law, the relevant laws and instructions, and these Bylaws.
	However, during the lock up period, the ownership of shares may be transferred in accordance with the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders in the event of his death to third parties or in the event of execution on the funds of the insolvent or bankrupt founder, provided that the priority of owning those shares is given to the other founders.	
	The provisions of this article shall apply to what the founders subscribe to in the event of an increase in the capital before the expiry of the lock up period.	
Article 13: Shareholders Register	The Company's shares shall be transferred in accordance with the Capital Market Law, it regulations, and any amendments thereto.	Article removed.
Article 14: Increase of Share Capital	3. Shareholders (at the time of the issuance of the Extraordinary General Assembly's resolution approving the capital increase) shall have pre-emptive rights to subscribe for the new cash shares. The shareholders shall be notified of the pre-emptive rights vested in them by notice to be published in a	3. Shareholders (at the time of the issuance of the Extraordinary General Assembly's resolution approving the capital increase) shall have pre-emptive rights to subscribe for the new cash shares. The shareholders shall be notified of the pre-emptive rights vested in them by notice to be published in a daily newspaper addressing the capital

² Article 12 in the revised Bylaws.



³ Article 13 in the revised Bylaws.



daily newspaper addressing the capital increase resolution, the conditions of subscription and the period of subscription, or by written notice to the shareholder by registered mail.

- 5. The shareholder shall have the right to sell or assign its pre-emption rights during the period from the time of the issuance of the general assembly's decision approving the capital increase until the last day of subscribing to the new shares associated with these rights in accordance with the regulations set by the competent authorities.
- 7. The resolution of the General Assembly regarding the capital increase will require the written approval of the Saudi Arabian Monetary Agency.

- increase resolution, the conditions of subscription and the period of subscription, or by written notice to the shareholder by registered mail or through modern technology means.
- 5. The shareholder shall have the right to sell or assign its pre-emption rights in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions set by the competent authorities.
- 7. The capital increase resolution of the General Assembly shall be approved in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions.

Article 15: Capital Reduction

The Extraordinary General Assembly may reduce its capital in accordance with the limits and provisions contained in the Banking Control Law and the relevant regulations and instructions, in the event that such capital is in excess of the Company's needs or if the Company incurs losses. Only in the latter case, the Company's capital may be reduced below the limit described in Article 45 of the Companies Law. The capital reduction resolution shall only be issued after reading out a special report to be prepared by the external auditor on the reasons underlying the reduction, the obligations of the Company and the impact of the reduction on such obligations. The capital reduction will require the written approval of the Saudi Arabian Monetary Agency.

The Extraordinary General Assembly may reduce its capital in accordance with the limits and provisions contained in the Banking Control Law and the relevant regulations and instructions, in the event that such capital is in excess of the Company's needs or if the Company incurs losses. Only in the latter case, the Company's capital may be reduced below the limit described in the Companies Law. The capital reduction resolution shall only be issued after reading out a special report to be prepared by the external auditor on the reasons underlying the reduction, the obligations of the Company and the impact of the reduction on such obligations.

If the capital is reduced due to being in excess of the Company's needs, the Company's creditors must be called to express their objections to such reduction as per the legal timeframe prescribed by law as of the date of publication of the reduction resolution in a daily newspaper that is distributed in the area where the Company's headquarters is located. If any creditor objects and submits to the Company the supporting documents in a timely manner, the Company shall be required to pay off his debt if it is due for payment, or to provide a sufficient guarantee for settlement of such debt if its maturity date is not yet due, in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions.





Article 16: Debt Instruments and	New Article	1. The Company may pursuant to a resolution
Sukuk		issued by the Board, and in accordance with the
		Capital Market Law and the limits and
		provisions contained in the Banking Control
		Law and the relevant laws and instructions,
		issue debt instruments or financing Sukuk. The
		Company may only issue debt instruments or Sukuk convertible into shares after a resolution
		is issued by the Extraordinary General
		Assembly indicating the maximum number of
		shares allowed to be issued against such
		instruments or Sukuk, whether such debts or
		Sukuk are issued at the same time or through a
		series of issues or through one or more schemes
		for issuance of finance instruments or Sukuk.
		2. The Board shall issue, without the need for
		new approval to be issued by the aforesaid
		General Assembly, new shares against the debt
		instruments and finance Sukuk whose holders
		request their conversion, immediately upon the
		expiry of the conversion request duration set
		for the holders of such instruments or Sukuk,
		and the Board shall take the necessary actions
		for amending the Company's Bylaws in respect
		of the number of issued shares and capital.
		3. The Board shall publish the completion of
		each capital increase in the manner specified in
		the Companies Law regarding the publication
		the resolutions of the Extraordinary General
		Assembly
		4. Subject to the provisions of the Companies
		Law, the Company may, in accordance with the
		limits and provisions included in the Banking
		Control Law, and the relevant laws and
		instruction, convert debt instruments or finance
		Sukuk into shares in accordance with the
		Capital Market Law. In all cases, such instruments shall not be converted into shares
		in either of the following two cases:
		a. If the conditions for issuing debt instruments
		or financial Sukuks do not include the
		possibility of converting these instruments and
		instruments into shares through increasing the Company's capital.
		b. If the holder of the debt instrument or the
		finance Sukuk does not approve this
		conversion.
		The resolutions of the shareholders' general
		assembly shall apply to the holders of debt
		instruments and finance Sukuk. However, the





Article 16 ⁴ : Management of the Company	The Company shall be managed by a Board of Directors comprised of (10) members elected by the Ordinary General Assembly for a term of office not exceeding three years. Such Board of Directors may be re-elected.	aforementioned general assembly may not amend the rights assigned to them except their approval issued in their own assembly held in accordance with the provisions of the Companies Law. The Company shall be managed by a Board comprised of (10) members elected by the Ordinary General Assembly for a term of office not exceeding three years. Such Board may be re-elected in accordance with the limits and provisions included in Banking Control Law and the relevant laws and instructions.
Article 17 ⁵ : Termination of Board Membership	Membership of the Board of Directors shall terminate upon the expiry of its term or upon the expiry of the member's eligibility for it in accordance with any laws or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members, without prejudice to the dismissed member's right towards the company to claim compensation if the dismissal occurred for a reason other than acceptable or at an inappropriate time, and a member of the board of directors may retire, provided that it is at an appropriate time, otherwise he will be liable before the company for the damages resulting from his resignation. In all cases, the Saudi Arabian Monetary Agency shall be notified and alerted.	Membership of the <u>Board</u> shall be terminated based on the expiry of its term or the expiry of the member's validity in accordance with any law or instructions applicable in the Kingdom of Saudi Arabia. Nevertheless, the Ordinary General Assembly may, at any time, dismiss all or some of the members of the Board, without prejudice to the right of the dismissed member towards the Company concerning compensation claim if the dismissal was based on an unacceptable reason or at inappropriate time. The Board member may resign, provided that such resignation shall be at a proper time, otherwise, he shall be liable before the Company for any damages resulting from his resignation. In all cases, the Saudi Central Bank shall be notified.
Article 186: Vacant Board Positions	If the position of a member of the Board becomes vacant, the Board, based on the majority, may appoint a temporary member in the vacant position, provided that new member shall have the experience and efficiency required to complete the term of the former member in accordance with the limits and provisions set forth in the Banking Control Law as well as the relevant laws and instructions. The Ministry, the Capital Market Authority and other competent authorities shall be notified of the new appointment within 15 business days from the date of appointment that shall be presented in the first meeting of Ordinary General Assembly. In the event that the number of Directors falls below the quorum	If the position of a member of the Board becomes vacant, the Board, based on the majority, may appoint a temporary member in the vacant position, provided that new member shall have the experience and efficiency required to complete the term of the former member in accordance with the limits and provisions set forth in the Banking Control Law as well as the relevant laws and instructions. The Ministry, the Capital Market Authority and other competent authorities shall be notified of the new appointment within the period specified under law from the date of appointment that shall be presented in the first meeting of Ordinary General Assembly. In the event that the number of Directors falls below the quorum required by the Companies Law or

⁴ Article 17 in the revised Bylaws.



⁵ Article 18 in the revised Bylaws.

⁶ Article 19 in the revised Bylaws.



required by the Companies Law or the Bylaws for the proper convening of the Board meetings, the Ordinary General Assembly shall be convened within 60 days to appoint the necessary number of Directors.

the Bylaws for the proper convening of the Board meetings, the Ordinary General Assembly shall be convened within the period specified under the relevant law to appoint the necessary number of Directors.

Article 19⁷: Powers of the Board of Directors

Taking into account the powers established for the General Assembly, the Board of Directors shall collectively have the widest powers in managing the company to achieve its purposes, and it shall exercise all the powers and carry out all the works and actions that the company is entitled to perform under theses Bylaws or the Articles of Incorporation, accepting the sale and cancellation of the option, lending and borrowing, Mortgage, receiving redeeming, receiving compensation, amounts and debts in cash or by regular or bank checks and disbursing them, in buying and accepting emptying real estate, selling and emptying real estate with notaries public and receiving the value by checks in the name of the company, signing lease and rental contracts, handing over and receiving the lessor or lessee, and receiving rents in cash or by checks And in receiving the deeds, and in dividing and sorting the real estate deeds, dividing them, assigning part of the area for compensation and without compensation, adjusting the spaces and lengths, the owners' names and numbers therein, extracting a lost replacement, the mortgage, redeeming the mortgage and netting with or without compensation, buying and selling shares, bonds and goods for the account of the company or its clients, receiving their value, and replacing them disbursing profits and coupons, signing contracts of incorporation, subscribing to amending companies, increasing their capital and participating in them. And its amalgamation, merger, liquidation, and conversion from a limited company to a shareholder and vice versa, at the notary public, the Ministry of Commerce and Investment, the General Investment Authority, the Commercial Register, and in representing the company on its boards of directors, in appointing employees, ending their services, recruiting and sponsoring and concluding contracts for them, incorporation, supply, insurance.

Without prejudice to the provisions of Banking Control Law and the instructions issued by Saudi Central Bank, and subject to the competencies conferred upon the General Assembly, the members of the Board shall jointly be vested with the broadest powers to manage the Company for achieving its purposes, and may perform all actions and activities that the Company is entitled to perform under these Bylaws or Articles of Incorporation. The Board is also entitled to accept and terminate the option-based sale, lend and borrow, perform mortgage, receive, accept and amend mortgage, handover and disburse of compensations and debts in cash or under plain cheques or bank cheques. Furthermore, the Board may purchase real estate and accept its evacuation, execute declaration on receiving the amount implement deferred sale, exercise emptying in return for the premises (the deed), perform bartering, update deeds and insert the same in the comprehensive law, amend names of districts and drawings, sell and evacuate real state with the Notary, receive the value by virtue of bank cheques under the Company's name, sign lease and rental contracts, hand over the leased unit and takeover the leased unit to the lessor, and receive the rent amounts in cash or checks, receive instruments. The Board is entitled to divide, sort, merge the real estate instruments, assign part of the area in return for compensation and without consideration, and assign the real estate to the heirs, assign the real estate to the state, amend the land areas, lengths, the names of the owners and the numbers therein, the extraction of a replacement for the lost, perform mortgage and the release of the mortgage, accept the mortgage, modify the mortgage, exchange and offsetting with or without consideration, purchase and sell shares, bonds and merchandise for the account of the Company or its clients, receive its value, exchange the same, disburse profits and coupons besides open, manage and operate all types of accounts of inside or outside the Kingdom and operate



⁷ Article 19 in the revised Bylaws.



contracting, transportation and all services, all types of travellers' cheques, guarantees, credits of all kinds, remittances and commercial papers of all kinds, endorsement and disbursement of their value, acting on behalf of the company with its management, branches and offices inside and outside the Kingdom of Saudi Arabia by attendance, trial, pleading, and litigation in any lawsuits filed by or against the company, in all degrees of litigation, beginning, appeal, or cassation, before all courts, judicial committees of various specializations. arbitration bodies, inside and outside the Kingdom, and at endowment departments and any judicial body, and all ministries, departments, bodies and public and governmental and non-governmental institutions in all their departments, selecting the experts, and requesting taking an oath, rejecting it, notifying and alerting, requesting attachment, ratification dismantling it, dividing both types, and submitting an oath. Hand over all the necessary summons, regulations and reports, written and oral answers, testimony and citation, judgments, decisions, contracts, documents, etc., request for execution and procedure, request for imprisonment of debtors who have defaulted on payment, abandonment and travel ban, seizure of their money, and signing on behalf of the company on all that is needed Therefore, submitting it to the official and unofficial bodies, acknowledging the company, clearing the receivables and rights from civilians. denial, appealing forgery, conciliation and settlement with and without compensation, and the receipt of all amounts by checks or in cash, and the Board also, within the limits of its competence, is entitled to authorize third parties to perform all or any of the above-mentioned duties and permit the authorized persons to authorize others on sequential basis.

The chairman of the board of directors represents the company in its relations with the judiciary and public and private government agencies, and he has the right to delegate others to do so and authorize the delegate to delegate others successively.

them by cash deposit or withdraw or by checks or transfers, approve the signature, transfer to and from accounts, and activate the accounts and update data, close and settle the accounts, sign and endorse (assign) all commercial papers, and in general sign all the Company's banking transactions and full representation of the Company in its relationship with banks and other entities. Such Board also shall have the right to sign Articles of Incorporation, engage in companies and modify the same, including increasing its capital, participate, merge, liquidate such companies and convert them from limited liability companies to stock joint companies and vice versa before the notary, the Ministry of Commerce, and the Ministry of Investment, and issue, amend, renew and write off the commercial register, add activities, and conclude all types of commercial agency contracts in the name of the Company and extract and renew the licenses and its renewal for the Company, refer to the Saudi Authority for Intellectual Property, the Ministry of Commerce, the Ministry of Investment, government agencies, and register trade names and trademarks of the Company. The Board also shall have the authority to represent the Company in its Boards of Directors, appoint employees, terminate their services, recruit and sponsor them. conclude Articles of Incorporation, contracts of supplying, insurance, contracting, transportation and all services, and sign traveller's checks, guarantees, and all types of credits, transfers and commercial papers of all types, endorse and disburse the value of the same, make declaration on behalf of the Company, execute clearance based on settlement of dues and rights of debtors clearance, denial, file appeal on forgery, represent the Company in conciliation, waiver, granting deadlines, settlement with and without compensation, and the receipt of all amounts by checks or in cash, and the Board also, within the limits of its competence, is entitled to authorize third parties to perform all or any of the abovementioned duties and permit the authorized persons to authorize others on sequential basis.

The Chairman of the Board shall represent the Company in its relations with the judiciary and public and private government entities, and he is entitled to delegate others to do so and authorize the delegate to delegate third parties in succession.





Article 20⁸: Remuneration

Directors

The remuneration of the Board of Directors consists within the limits stipulated in the Companies Law and its regulations and the instructions of the Saudi Arabian Monetary Agency and any other applicable instructions and regulations, as it was set at a maximum amount of SAR 500,000 and an amount of SAR 360,000 as a minimum for their membership in the Board for each session, including additional bonuses in the event of the member's participation In any of the committees emanating from the Board of Directors, and this does not include the attendance allowance of SAR 5000 for each session of the Board or committees and does not include travel and accommodation expenses. To the Ordinary General Assembly a comprehensive statement of all the Board members received during the fiscal year in terms of remuneration, expense allowance and other benefits and expenses, as well as a statement of what Board members received in their capacity as workers or executives, or what they received in return for technical or administrative work or consultancy It shall also include a statement of the number of Council sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

The members of the Board shall receive a certain amount as remuneration to be offered to each member in proportion to the number of sessions he attends in accordance with Companies Law, regulations and controls issued by the Capital Market Authority and the Saudi Central Bank. The Board is entitled to specify additional remuneration for the Chairman of the and the Managing Director, if any, in proportion to their powers included in these Bylaws. The report of the Board submitted to the General Assembly shall include a comprehensive statement of all the rewards, compensations and expenditures received by the members in accordance with the disclosure requirements issued by the competent authorities. The Company shall also pay both the Chairman of Board and its members the actual expenses incurred by them in order to attend the meetings of the Board or the Board committee, including travel and accommodation expenses.

Article 219: Powers of the Chairman, Vice Chairman, Managing Director and Secretary

The Board shall appoint, from among its members, a Chairman as well as a deputy. The Board may also appoint a Managing Director (the "Managing Director") after obtaining the Saudi Arabian Monetary Agency's approval. It is prohibited to conjoin the position of the Chairman with any other executive position in the Company. The Chairman of the Board, in addition to the powers assigned to him by the Board of Directors, shall have the right to sign on behalf of the company on his own, and to represent the company before the courts and third parties, and the right to delegate others to do so, and to authorize the agent to delegate others.

The Board shall appoint and select a secretary from its members or from others. The secretary shall assume performing the tasks assigned to him by the Board and his

The Board shall appoint, from among its members, a Chairman (the "Chairman") and a Vice Chairman (the "Vice Chairman"). The Board may also appoint a Managing Director (the "Managing Director") in accordance with the limits and provisions included in Banking Control Law and the relevant laws and instructions. It is prohibited to conjoin the position of the Chairman with any other executive position in the Company, in line with the provisions of Banking Control Law and the instructions issued by Saudi Central Bank. The Chairman, in addition to his vested competencies of the Board, shall be empowered to sign on behalf the Company severally, option-based sale, lend and borrow, perform mortgage, receive, release, accept and amend mortgage, handover and disburse of compensations and debts in cash or under plain cheques or bank cheques. Furthermore, the Board Chairman may purchase real estate and

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⁸ Article 20 in the revised Bylaws.

⁹ Article 22 in the revised Bylaws.



pay shall be set by the Board and the term of the Board Chairman, Vice Chairman, Managing Director and Secretary of the Board shall not exceed the membership term of any of the aforesaid in the Board. The aforesaid may be re-elected, and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed persons to be compensated if the dismissal is based on illegal reason or takes place at an inappropriate time. accept its evacuation, execute declaration on receiving the amount, implement deferred sale, exercise emptying in return for the premises (the deed), perform bartering, update deeds and insert the same in the comprehensive law, amend names of districts and drawings, sell and evacuate real state with the Notary, receive the value by virtue of bank cheques under the Company's name, sign lease and rental contracts, hand over the leased unit and takeover the leased unit to the lessor, and receive the rent amounts in cash or checks, receive instruments. The Board is entitled to divide, sort, merge the real estate instruments, assign part of the area in return for compensation and without consideration, and assign the real estate to the heirs, assign the real estate to the state, amend the land areas, lengths, the names of the owners and the numbers therein, the extraction of a replacement for the lost, perform mortgage, redeem the mortgage and accept the mortgage. He is also entitled to modify the mortgage, exchange and offsetting with or without consideration, purchase and sell shares, bonds and merchandise for the account of the Company or its clients, receive its value, exchange the same, disburse profits and coupons besides open, manage and operate all types of accounts of inside or outside the Kingdom and operate them by cash deposit or withdraw or by checks or transfers, approve the signature, transfer to and from accounts, and activate the accounts and update data, close and settle the accounts, sign and endorse (licensing) all commercial papers, and in general sign all the Company's banking transactions and full representation of the Company in its relationship with banks and other entities. Such Board also shall have the right to sign Articles of Incorporation, engage in companies and modify the same, including increasing its capital, participate, merge, liquidate such companies and convert them from limited liability companies to stock joint companies and vice versa before the notary, the Ministry of Commerce, and the Ministry of Investment, and issue, amend, renew and write off the commercial register, add activities, and conclude all types of commercial agency contracts in the name of the Company and extract and renew the licenses and its renewal for the Company, refer to the Saudi Authority for Intellectual Property, the Ministry of Commerce, the Ministry of Investment, government agencies, and register trade names





and trademarks of the Company. Furthermore, he may represent the Company in its Boards of Directors, appoint employees, terminate their services, recruit and sponsor them, conclude Articles of Incorporation, contracts of supplying, insurance, contracting, transportation and all services, and sign guarantees, all types of credits, transfers, all types of commercial documents, endorse and receive the value of the same. He is also authorized to represent the Company including its management, branches and offices inside and outside the Kingdom of Saudi Arabia, via attendance, prosecute, plead, filing case and defend in any lawsuits filed by or against the Company, in all degrees of jurisdiction, in courts of first instance, court of cassation and discrimination, before all courts, divisions and judicial committees of various jurisdictions, including but not limited to banking, finance, insurance and tax committees, arbitration tribunals inside and outside the Kingdom, endowment departments, the Supreme Court and any other judicial body, all ministries, departments, bodies, and public and governmental and non-governmental institutions with all its departments, and the select experts, request to take and reject the oath, to send and receive notifications, request, endorse and release attachment, to divide its two types, and to submit and receive all the necessary summons, regulations and reports, written and oral answers, testimony and citation, judgments and decisions, contracts and documents, and others, request for execution and taking actions, file claim on imprison insolvent debtors, release them, prevent them from traveling, seize their property, and sign on behalf the Company all the necessary documents and submit them to official and non-official bodies, make acknowledgement on behalf of the Company, and execute clearance based on settlement of dues and rights of debtors clearance, denial, file appeal on forgery, represent the Company in conciliation, waiver, granting deadlines, settlement with and without compensation, and the receipt of all amounts by checks or in cash, and the Board chairman also, within the limits of its competence, is entitled to authorize third parties to perform all or any of the abovementioned duties and permit the authorized persons to authorize others on sequential basis.

The Board shall appoint and select a secretary from its members or from others. The secretary shall assume performing the tasks assigned to





		him by the Board and his pay shall be set by the Board and the term of the Board Chairman, Vice Chairman, Managing Director and Secretary of the Board shall not exceed the membership term of any of the aforesaid in the Board. The aforesaid may be re-elected, and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed persons to be compensated if the dismissal is based on illegal reason or takes place at an inappropriate time.
Article 22 ¹⁰ : Board Meetings	The Board shall be convened at least four times in one fiscal year upon a call by the Chairman, the call shall be accompanied by the agenda, under the appropriate means and conditions determined by the Chairman of the Board, and the Chairman of the Board shall call the Board to a meeting whenever requested by two of the members.	The Board shall be convened at least four times in one fiscal year upon a call by the Chairman, under the appropriate means and conditions determined by the Chairman of the Board, and the Chairman of the Board shall call the Board to a meeting whenever requested by two of the members.
Article 23 ¹¹ : Quorum for Board Meeting	The meeting of the Board shall not be valid unless attended by at least half of the Directors, provided that the number of attendants is not less than half of the members. The Board member may assign other members to attend the Board meetings on his behalf by virtue of a written delegation. The Board's resolutions shall be adopted with the approval of the majority of attending Directors or proxies, in the event of a tie, the Chairman of the Board shall have a vesting vote.	No amendments made.
Article 24 ¹² : Minutes of Board Meetings	The Board's deliberations and resolutions shall be recorded in minutes signed by the Chairman of the Board, the attending Directors, and the Secretary. Such minutes shall be recorded in a special register signed by the Chairman and the Secretary. Electronic means may be used for the purpose of recording the deliberations.	The Board's deliberations and resolutions shall be recorded in minutes signed by the Chairman, the attending Directors, and the Secretary. Such minutes shall be recorded in a special register signed by the Chairman and the Secretary. Electronic means may be used for the purpose of recording the deliberations.
Article 26: Board Committees	New Article	The Board may establish main and subsidiary committees for following up and monitoring the Company's operations. The Board shall approve the charters of such committees in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions issued by the competent authorities. Such charters shall describe the tasks, responsibilities, duration

¹⁰ Article 23 in the revised Bylaws.



¹¹ Article 24 in the revised Bylaws.

¹² Article 25 in the revised Bylaws.



Article 25 ¹³ : Attendance of Assemblies	Each subscriber, regardless of the number of his shares, shall have the right to attend the Constituent General Assembly. Each shareholder shall have the right to attend the General Assembly. Each Shareholder may authorize in writing another person, other than a member of the Board or an employee of the Company, to attend the General	and scope of work and the powers granted to these committees, and disclose the details in relation thereto in the report of the Board in accordance with the disclosure requirements prescribed by the competent authorities. No amendments made.
Article 26 ¹⁴ : Competences of the Ordinary General Assembly	Assembly on his behalf. Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall attend to all matters concerning the Company. The Ordinary General Assembly shall be convened at least once a year, within 6 months following the end of the Company's fiscal year. Additional Ordinary General Assembly meetings may be convened whenever needed.	No amendments made.
Article 27 ¹⁵ : Competences of the Extraordinary General Assembly	The Extraordinary General Assembly shall have the power to amend the Company's Bylaws, except for such provisions as may be impermissible to be amended under the law. Furthermore, the Extraordinary General Assembly may adopt resolutions on matters falling within the competence of the Ordinary General Assembly under the same conditions applicable to the latter.	No amendments made.
Article 30: Manner of Convening General Assemblies	The General Assembly or meetings of shareholders may be held at the call of the Board in accordance with the measures and legally-scheduled dated. The Board shall call the Ordinary General Assembly to convene, if requested by the Auditor, the Audit Committee or a number of shareholders representing at least 5% of the Company's capital. The Auditor may invite the assembly to convene if the Board does not invite the assembly within thirty days from the date of the auditor's request. The invitation to convene the general assembly shall be published in a daily newspaper distributed at the company's head office at least ten days	The General Assembly or meetings of shareholders may be held at the call of the Board in accordance with the measures and legally-scheduled dated. The Board shall call the Ordinary General Assembly to convene, if requested by the External Auditor, the Audit Committee or a number of shareholders representing at least 5% of the Company's capital. The External Auditor may call the Assembly to convene if the Board failed to do so in accordance with the time period required in the relevant laws from the date of the External Auditor's request. However, notice maybe be given at the time fixed above by registered letters or through any other legal

¹³ Article 27 in the revised Bylaws.



¹⁴ Article 28 in the revised Bylaws.

¹⁵ Article 29 in the revised Bylaws.



	before the date fixed for the meeting. However, it may be sufficient to send the invitation on the aforementioned date to all shareholders by registered letters or by any other legal means. A copy of the invitation and the agenda shall be sent to the Ministry, the Capital Market Authority and the Saudi Arabian Monetary Agency, within the period specified for publication.	means. A copy of the call and the agenda shall be sent to the Ministry, the Capital Market Authority and the Saudi Central Bank, within the period specified for publication.
Article 29: Attendance Record of Assemblies	Shareholders who wish to attend the general or special assembly register their names at the Company's head office before the time specified for the assembly, and it is permissible to specify a place and another means using electronic means.	Article removed.
Article 30 ¹⁶ : Quorum of the Ordinary General Assembly Meeting	The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the Company's capital, and if the necessary quorum for holding this meeting (a quarter of the capital) is not present, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the call to hold the first meeting contains the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.	No amendments made.
Article 31 ¹⁷ : Quorum of the Extraordinary General Assembly Meeting	The meeting of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing at least a half of the Company's capital, and if the necessary quorum for holding this meeting (a half of the capital) is not present, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the call to hold the first meeting contains the possibility of holding this meeting. In all cases, the second meeting shall be valid when attended by a number of shareholders representing at least a quarter of the Company's capital. If the necessary quorum is not present in the second meeting (a quarter of the capital), a call shall be issued regarding convening third meeting under the same conditions set out in Article (28) of these Bylaws, and the third meeting shall be valid irrespective of the number of shares	No amendments made.

¹⁶ Article 31 in the revised Bylaws.



¹⁷ Article 32 in the revised Bylaws.



	represented therein, after obtaining the relevant authority's approval.	
Article 32 ¹⁸ : Voting at the General Assembly Meetings	Each shareholder shall have one vote for each share he owns at the Constituent General Assembly. Each shareholder shall have one vote for each share he/it owns at any General Assembly meeting. Cumulative voting must be used in electing Board.	No amendments made.
Article 33 ¹⁹ : General Assembly Resolutions	Resolutions of the Constituent General Assembly shall be adopted by the absolute majority vote of the shares represented thereat. Resolutions of the Ordinary General Assembly shall be adopted by the absolute majority vote of the shares represented at a meeting thereof. The resolutions of the Extraordinary General Assembly shall be adopted by vote of two-thirds majority of the members represented at the meeting. However, if such resolutions relate to the increase or decrease of the Company's capital, extending the Company's term, dissolution of the Company before the expiry of its term, or it merger with another company, then the approval of majority of three quarters of the shares represented at a meeting thereof shall be required.	No amendments made.
Article 34 ²⁰ : Deliberations in General Assembly Meetings	Each shareholder has the right to discuss the topics listed on the assembly's agenda and to direct questions in this regard to the members of the board of directors and the <u>auditor</u> . The board of directors or the <u>auditor</u> shall answer the shareholders' questions to the extent that the company's interest is not harmed. If the shareholder deems that the answer to his question is not convincing, he shall appeal to the assembly, and its decision in this regard shall be enforceable.	Each shareholder has the right to discuss the matters listed in the General Assembly's agenda and to direct questions in this respect to the members of the Board and the external auditor. The Board or the external auditor shall answer the shareholders' questions to the extent that the Company's interest is unsatisfactory. If the shareholder deems that the answer to his question is unsatisfactory, he may resort to the assembly, and its resolution in this regard shall be conclusive and binding.
Article 35 ²¹ : Chairmanship of General Assembly Meetings and Preparation of Minutes	The General assembly meetings shall be chaired by the Chairman or the Vice Chairman in the absence of the Chairman or by a member assigned by the Board from among its members in the absence of the Board Chairman and the Vice Chairman. Minutes shall be written in the General assembly meetings meeting containing the number of the present shareholders or	No amendments made.

¹⁸ Article 32 in the revised Bylaws.



¹⁹ Article 32 in the revised Bylaws.

²⁰ Article 35 in the revised Bylaws.

²¹ Article 36 in the revised Bylaws.



	representatives, the number of shares they hold in person or by proxy, the number of votes invested therein, the resolutions taken, the number of votes agreeing to or dissenting from such resolutions and a comprehensive summary of the discussions that took place at the meeting. The minutes shall be recorded in a regular manner after each meeting in a special register signed by the Assembly's Chairman, its Secretary and the person assigned to count votes.	
Section 7: The Auditor	The Auditor	The External Auditor
Article 40 ²² : Appointment of the External Auditor	The Company shall have one (or more) Auditors from among the auditors authorized to operate in the Kingdom. The Auditor shall be appointed annually, and its reimbursement and term shall be determined by the General Assembly. The General Assembly may, at any time, remove the Auditor without prejudice to its right to compensation in case the termination was unjustified or at an inappropriate time	The Company shall have one (or more) External Auditors from among the external auditors authorized to operate in the Kingdom. The Auditor shall be appointed annually, and its compensation and term shall be determined by the General Assembly. The General Assembly may, at any time, remove the Auditor without prejudice to its right to compensation in case the termination was unjustified or at an inappropriate time.
Article 41 ²³ : Auditor's Powers	The <u>auditor</u> at any time has the right to review the company's books, records and other documents, and he also has the right to request data and clarifications that he deems necessary to obtain, in order to verify the company's assets and obligations and other things that fall within the scope of his work. The Chairman of the Board of Directors shall enable him to perform his duty, and if the <u>auditor</u> encounters difficulty in this regard, he shall prove this in a report submitted to the Board of Directors. If the board does not facilitate the work of the <u>auditor</u> , he must, and the auditor has the right to request the board of directors to invite the ordinary general assembly to look into the matter.	The External Auditor shall have access at all times to the Company's books, records and any other documents, and may request information and clarification as it deems necessary. It may further check and confirm the Company's assets and liabilities. The Chairman shall enable the External Auditor to undertake its duties. The External Auditor shall record any difficulties it may face in such regard in its report to the Board. If the Board does not facilitate the External Auditor's work, the External Auditor shall request the Board to convene the Ordinary General Assembly to look into the matter.
Article 42 ²⁴ : : Fiscal Year	The Company's fiscal year shall commence on January 1st and shall end on the 31st of December of each year.	No amendments made.
Article 43 ²⁵ : Financial Statements	The Board shall prepare at the end of each fiscal year the Company's financial statements, and a report of its activities and financial position for the preceding	4. The Board shall prepare at the end of each fiscal year the Company's financial statements, and a report of its activities and financial position for the preceding fiscal

²² Article 37 in the revised Bylaws.



²³ Article 38 in the revised Bylaws.

²⁴ Article 39 in the revised Bylaws.

²⁵ Article 40 in the revised Bylaws.



fiscal year, and this report shall also include the proposed method for profits distribution. The Board shall make these documents available to the <u>Auditor</u> before the date specified for the General Assembly's convention based on the period specified by law.

- 2. The Company's <u>Board</u>, <u>Chairman</u>, Chief Executive Officer and Chief Financial Officer shall all sign the documents referred to in Paragraph (1) of this Article. Copies thereof shall be sent to the Company's headquarters for the purpose of being at the disposal of the shareholders prior to the specified period to conduct General Assembly's convening date.
- 3. The Chairman shall provide the shareholders with the Company's financial statements, the Board's report and the <u>auditor's</u> report, unless such documents are published in a daily newspaper well-known at the Company's headquarters or through modern technology means. He shall also send a copy of these documents to the Ministry, the Capital Market Authority and the <u>Saudi Arabian Monetary Agency</u>, before the General Assembly's convening date, according to the period specified by law.

year, and this report shall also include the proposed method for profits distribution. The Board shall make these documents available to the <u>External Auditor</u> before the date specified for the General Assembly's convention based on the period specified by law.

- 5. The Company's <u>Chairman</u>, Chief Executive Officer and Chief Financial Officer shall all sign the documents referred to in Paragraph (1) of this Article. Copies thereof shall be sent to the Company's headquarters for the purpose of being at the disposal of the shareholders at least (10) days prior to the General Assembly's convening date.
- The Chairman shall provide the shareholders with the Company's financial statements, the Board's report and the external auditor's report, unless such documents are published in a daily newspaper well-known at the Company's headquarters or through modern technology means. He shall also send a copy of these documents to the Ministry, the Capital Market Authority and the Saudi Central Bank, before the General Assembly's convening date, according to the period specified by law.

Article 44²⁶: Distribution of Profits

The Company's annual net profits shall be distributed after deducting all the general expenses and other costs and providing the necessary reserves to handle its debts, investment losses and emergency crises that the Board deems necessary in accordance with the provisions of the Banking Control Law and the instructions of the Saudi Arabian Monetary Agency, as follows:

1. A ratio of (25%) of the net profit shall be set aside to form the Company's statutory reserve. The Ordinary General Assembly may decide to discontinue such allocation when the said reserve reaches (100%) of the paid-up capital.

The Company's annual net profits shall be distributed after deducting all the general expenses and other costs and providing the necessary reserves to handle its debts, investment losses and emergency crises that the Board deems necessary in accordance with the provisions of the Banking Control Law and the instructions of the Saudi Central Bank, as follows:

- 1. A ratio of (25%) of the net profit shall be set aside to form the Company's statutory reserve. The Ordinary General Assembly may decide to discontinue such allocation when the said reserve reaches (100%) of the paid-up capital.
- 2. The Ordinary General Assembly, based on the proposal of the Board,

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²⁶ Article 41 in the revised Bylaws.



	 The Ordinary General Assembly, based on the proposal of the Board, may set aside a certain rate of the net profits to form a voluntary reserve to be allocated. The General Assembly may decide to form other reserves to the extent that it serves the Company's interest or ensures the distribution of fixed profits as much as possible to the shareholders. The mentioned assembly may also deduct amounts from the net profits to establish social institutions for the Company's employees or to assist the existing institutions. A rate of the profits shall be distributed from the remainder to the shareholders within the limits of the distributable profits, whether annually, semi-annually or quarterly. 	may set aside a certain rate of the net profits to form a voluntary reserve to be allocated. 3. The General Assembly may decide to form other reserves to the extent that it serves the Company's interest or ensures the distribution of fixed profits as much as possible to the shareholders. The mentioned assembly may also deduct amounts from the net profits to establish social institutions for the Company's employees or to assist the existing institutions. 4. A rate of the profits shall be distributed from the remainder to the shareholders within the limits of the distributable profits, whether annually, semi-annually or quarterly.
Article 45 ²⁷ : Entitlement to Dividends	The shareholder shall be eligible for its share in the profits in accordance with the resolution of the General Assembly issued in this regard. The resolution shall indicate the entitlement and distribution dates. The entitlement to dividends shall be for the shareholders registered in the shareholders' registers at the end of the day set for eligibility.	No amendments made.
Article 46 ²⁸ : Dividends of Preferred Shares	 If no dividends are distributed for any financial year, then no dividends may be distributed for the following years until after paying the specified percentage in accordance with the provisions of Article (14) of the Companies Law for Preferred Shareholders for that year. If the company fails to pay the percentage specified in accordance with the provisions of Article (141 of the Companies Law) for a period of three consecutive years, the assembly of those shareholders, convened in accordance with the provisions of Article (89) of the Companies Law, may decide to either attend the General Assembly meetings 	 If no dividends are distributed for any fiscal year, then no dividends may be distributed for the following years unless and until the specified ratio is paid in accordance with the provisions of the Companies Law for Preferred Shareholders for that year. If the Company fails to pay the specified ratio in accordance with the provisions of the Companies Law from the profits for a period of three consecutive years, the assembly of those shareholders, held in accordance with the provisions of the Companies Law, may decide to either attend the General Assembly meetings of the Company and get involved in the

²⁷ Article 42 in the revised Bylaws.



²⁸ Article 43 in the revised Bylaws.



	of the Company and get involved in the voting, or appoint their representatives at the Board in proportion to the value of their shares in the capital until the Company is able to pay all the priority dividends allocated to these shareholders for the previous years.	voting, or appoint their representatives at the Board in proportion to the value of their shares in the capital until the Company is able to pay all the priority dividends allocated to these shareholders for the previous years.
Article 47 ²⁹ : Company's Losses	1. If the Company's losses amount to half of the paid-up capital, at any time during the fiscal year, the Saudi Arabian Monetary Agency shall be notified, and any official in the company or the auditor must immediately inform the Chairman of the Board of Directors, and the Chairman of the Board of Directors must immediately inform the members of the Board of that The Board of Directors shall, within fifteen days of becoming aware of this, invite the extraordinary general assembly to meet within forty-five days from the date of his knowledge of the losses, to decide either to increase or decrease the company's capital in accordance with the provisions of the Companies Law and the Banking Control Law, to the extent that the percentage of losses drops to Less than half of the paid-up capital, or dissolution of the company before the term specified in these Bylaws. 2. The company is considered dissolved by the force of the Companies Law if the General Assembly did not meet within the period specified in Paragraph 1 of this Article, or if it met and was unable to issue a decision on the matter, or if it decided to increase the capital in accordance with the conditions established in this Article and the subscription was not completed In each capital increase within ninety days from the issuance of the Assembly's decision to increase it. This is after obtaining the approval of the Saudi Arabian Monetary Agency based on the Banking Control Law.	 If the Company's losses amount to half of the paid-up capital, at any time during the fiscal year, the Saudi Central Bank shall be notified thereof. Any of the Company's officers or the external auditor, as soon as he becomes aware thereof, shall inform the Chairman of the Board, and the Chairman of the Board shall in a timely manner inform the members of the Board of that. From the date of its knowledge thereof, the Board, within the period specified by law, shall call the Extraordinary General Assembly to meet within the period specified by law from the date of his knowledge of the losses, so that it decides either s to either increase the Company's capital or reduce it, in accordance with the provisions of the Companies Law and Banking Control Law, and that is to the extent that the loss ratio falls below half of the paid-up capital (God forbids), or to dissolve the Company before the time specified in these Bylaws. The Company shall be deemed dissolved according to the Companies Law, if the General Assembly Meeting is not held within the period specified in paragraph (1) of this Article or in case it convenes and fails to issue a resolution in this regard or if it decides to increase the capital in accordance with the conditions set forth in this Article, and the subscription for each capital increase has not been performed within the period specified by law from the issuance of the Assembly's resolution regarding the increase, in accordance with the limits and provisions contained in the Banking Control Law and the relevant regulations and instructions.
Article 45 ³⁰ : Liability Lawsuit	Each shareholder shall have the right to file a liability action, vested on behalf of the	No amendments made.

²⁹ Article 44 in the revised Bylaws.



³⁰ Article 45 in the revised Bylaws.



Article 49 ³¹ : Dissolution of the Company	Company, against the Directors if they have committed a fault which has caused some particular damage to such shareholder, provided that the Company's right to file such action shall still be valid. The shareholder shall notify the Company of his intention to file such action. Upon the expiry of the Company, it shall enter into liquidation period during which it shall maintain its legal personality to the extent necessary for liquidation. The decision of voluntary liquidation is issued by the extraordinary general assembly, and the decision of liquidation must include the appointment of the liquidator, determining his powers and fees, restrictions imposed on his powers, and the time period required for liquidation. The company's board of directors dissolves it, however, they remain in charge of the company's management and are considered to others as liquidators until the liquidator is appointed, and the shareholders' assemblies remain in place during the liquidation period and their role is limited to exercising their competencies that do not conflict with the competencies of the liquidator.	 If all the Company's shares devolve to one shareholder and he does not meet the conditions set forth in Article 55 of the Companies Law, the Company shall remain solely responsible for its debts and obligations. However, this shareholder shall normalize the Company's situation with the provisions of the Companies Law within a period not exceeding one year, otherwise, the Company shall be dissolved under the power of the law. The Company shall be deemed dissolved by operation of law if the Extraordinary General Assembly does not meet within the period specified in Article 49 of these Bylaws or in case it convenes and fails to issue a resolution in this regard or if it decides to increase the capital in accordance with the conditions set forth in this Article, and the subscription for each capital increase has not been performed within the period specified by law from the issuance of the Assembly's resolution regarding the increase, in accordance with the limits and provisions contained in the Banking Control Law and the relevant regulations and instructions.
Section 10 – Final Provisions: Article 50 ³² :	The Banking Control Law shall be applied to all the matters not stipulated in these Bylaws. In the absence of a legal text or provision in the Banking Control Law, the provisions and regulations of the Companies Law and its regulations shall be applied.	The Companies Law and its regulations along with Capital Market Law and its Implementing Regulations shall be applied to all the matters not stipulated in these Bylaws. Furthermore, the Banking Control Law and the laws issued by the Saudi Central Bank shall apply to the relevant provisions.
Article 51 ³³ :	These Bylaws shall be registered and published in accordance with the provisions of the Companies Law and its Regulations.	These Bylaws shall be registered and published in accordance with the provisions of the Companies Law and its Regulations.



³¹ Article 46 in the revised Bylaws.

³² Article 47 in the revised Bylaws.

³³ Article 48 in the revised Bylaws.